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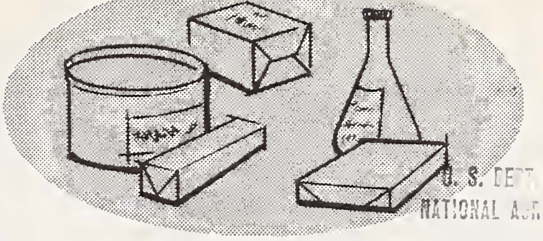

FATS and OILS SITUATION

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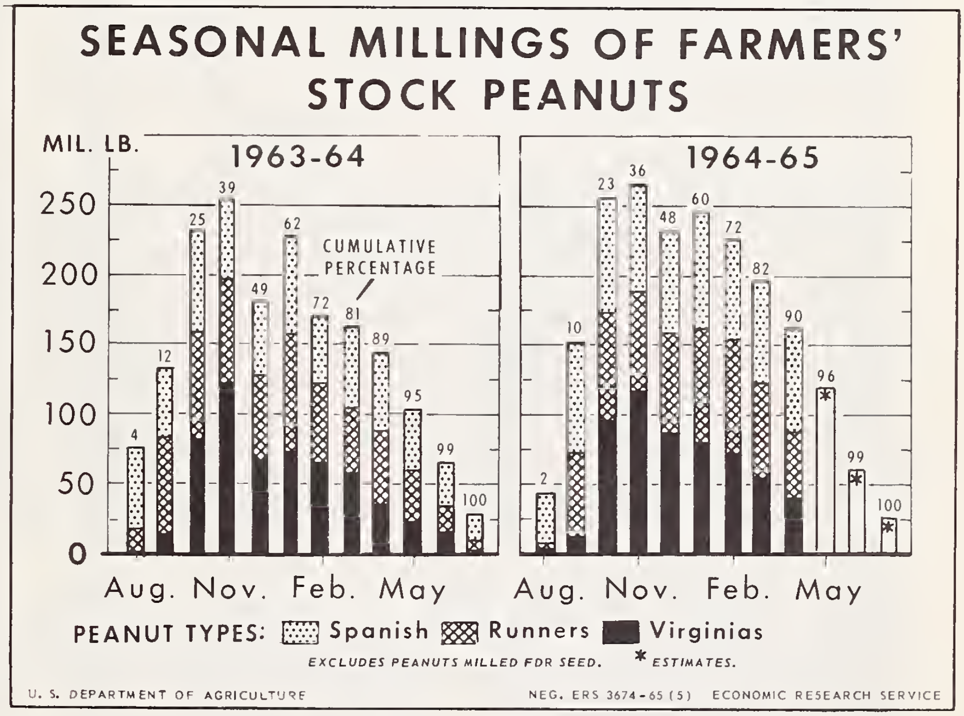
The bulk of the U. S. peanut crop is marketed directly to shellers who receive about 90 percent of their peanuts during August-December. Millings (cleaning and shelling) are spread over a greater part of the season although about 50 percent is completed by the end of December. Millings for the 1964-65 season were about 90 percent complete through April 1965. Peak month for milling Virginias is usually November, but for Runners and Spanish it may occur before or after November. (See page 21).



SEASONAL MILLINGS OF FARMERS' STOCK PEANUTS

EXCLUDES PEANUTS MILLED FOR SEED. * ESTIMATES.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 3674-65 (5) ECONOMIC RESEARCH SERVICE

IN THIS ISSUE

Peanut Trends, 1947-65 (page 21)

Nonfood Fat Consumption in 1964 (page 17)

FOR 3 P.M. EDT RELEASE, JUNE 8

NOTICE: There must be no premature release of this Situation Report, nor should its contents be paraphrased, referred to or alluded to in earlier stories. There is a TOTAL EMBARGO on this Report until 3 p.m. (EDT) June 8, which includes any and all uses or references to any material contained herein.

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SERVICE OPERATIONS
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1965 JUN 3 PM 1 02
REPRODUCTION
SECTION

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Table 1.--Wholesale and retail prices per pound for fats and oils

Item	April		1965		
	1963	1964	February	March	April
	Cents	Cents	Cents	Cents	Cents
Wholesale Prices:					
Butter, creamery, Grade A, (92-score) bulk, New York	58.8	58.7	58.8	58.8	59.6
Butter, creamery, Grade A, (92-score) bulk, Chicago	58.0	58.0	58.0	58.0	59.0
Butter, creamery, Grade A, (92-score) prints, San Francisco	68.8	70.8	69.8	69.8	69.8
Castor oil, dehydrated, tanks, New York	25.1	25.1	25.1	25.1	24.9
Castor oil, No. 1, Brazilian, tanks, imported, New York	15.2	14.8	13.2	13.0	12.9
Castor oil, No. 1, tanks, f.o.b., New Jersey mills	20.0	19.0	15.2	15.2	15.2
Castor oil, No. 3, domestic, tanks, carlots, f.o.b. New York	19.3	18.3	12.9	12.8	12.7
Coconut oil, crude, tank cars, Pacific Coast, f.o.b. mills 1/	12.0	12.9	16.0	16.3	17.4
Coconut oil, crude, tanks, f.o.b. New York, 1/	12.5	13.4	16.0	16.3	17.5
Coconut oil, refined, drums, l.c.l., New York 1/	16.0	17.2	22.0	22.0	22.8
Cod oil, spot, drums, New York	8.1	10.5	13.0	13.5	---
Codliver oil, medicinal, U. S. P., barrels, New York	16.9	18.2	18.2	18.2	18.2
Corn oil, crude, tank cars, f.o.b. Midwest mills	12.3	10.3	13.9	14.3	14.8
Corn oil, refined, tanks, New York	15.5	12.1	16.8	16.9	17.3
Cottonseed oil, crude, tank cars, f.o.b., S. E. mills	10.4	9.8	13.0	13.1	12.9
Cottonseed oil, crude, tank cars, f.o.b., Valley	10.3	9.8	12.9	13.0	12.6
Cottonseed oil, crude, tank cars, f.o.b., Texas	10.2	9.9	12.9	13.1	12.7
Cottonseed oil, p.s.y., bleachable, tank cars, New York 2/	12.5	11.0	14.2	14.3	14.0
Cottonseed oil, refined, tanks, New York	13.3	12.6	15.5	15.6	15.3
Cottonseed-oil foots, raw (50 percent T.F.A.) delivered East	1.6	1.6	---	---	---
Degras, Lanolin technical, drums, New York	21.0	31.5	39.0	39.5	40.0
Glycerin, soaplye, tanks, New York	10.5	13.7	13.7	12.8	12.8
Grease, A white, tank cars, delivered Chicago	4.9	6.1	8.0	8.3	8.7
Grease, B white, delivered, Chicago	4.7	5.6	7.9	8.2	8.3
Grease, yellow, delivered, Chicago	4.4	5.5	7.5	7.8	8.2
Grease oil, extra No. 1, drums, Chicago	12.0	12.0	13.5	13.5	13.5
Lard, loose, tank cars, Chicago	7.5	9.2	11.2	11.6	12.3
Lard, prime steam, tierces, Chicago	8.2	9.1	11.2	11.6	12.3
Lard, refined, 1-pound cartons, Chicago	13.8	14.5	16.2	16.4	17.0
Lard, refined, 1-pound cartons, New York	13.5	14.2	16.3	17.0	18.4
Linseed oil, raw, tank cars, Minneapolis	12.7	13.3	13.9	13.9	13.9
Linseed oil, raw, tanks, New York	13.8	14.4	15.0	15.0	15.0
Margarine, colored, delivered, Eastern U. S.	23.8	23.8	25.9	26.3	26.3
Margarine, yellow, quarters, f.o.b., Chicago	24.8	25.2	26.2	26.2	26.2
Margarine, white, domestic vegetable, Chicago	23.2	23.2	24.2	24.2	24.2
Menhaden oil, crude, tanks, f.o.b. Baltimore	5.7	8.5	9.3	9.3	9.3
Menhaden oil, light pressed, tanks, New York	9.0	10.0	11.3	11.3	11.3
Neat's foot oil, 30°, drums, carlots, New York	27.0	27.0	27.0	27.0	27.0
Oiticica oil, drums, f.o.b. New York	29.5	20.6	20.1	22.0	24.3
Oiticica oil, tanks, New York	27.0	18.7	18.2	19.8	22.0
Oleo oil, extra, drums, Chicago	16.2	17.8	18.2	18.2	18.2
Olive oil, imported, edible, drums, New York	63.5	30.4	38.9	39.5	38.0
Palm oil, clarified, drums, f.o.b. New York 3/	14.0	14.2	15.5	15.8	15.8
Palm kernel oil, bulk, c.i.f., New York 3/	11.8	12.9	15.8	16.0	17.0
Peanut oil, crude, tank cars, f.o.b. S. E. mills	11.9	11.1	15.5	14.4	14.4
Peanut oil, refined, tanks, New York	14.9	13.9	18.2	17.2	17.1
Rapeseed oil, refined (denatured), tanks, New York	13.5	14.0	15.2	15.2	15.4
Safflower oil, nonbreak, tanks, East Coast	18.0	12.0	15.6	15.7	15.8
Safflower oil, drums, East Coast	20.0	14.0	---	---	---
Sesame oil, refined, drums, New York	37.0	33.0	33.0	33.0	33.0
Shortening, Cottonseed, hydrogenated, 10-drum lots, New York	20.2	21.2	23.5	23.5	23.5
Soybean oil, crude, tank cars, f.o.b., Decatur	9.1	7.9	12.1	12.2	12.2
Soybean oil, refined, tanks, New York	11.3	10.2	14.3	14.3	14.3
Soybean oil, clarified, tanks, New York	11.0	9.6	14.1	14.1	14.0
Sperm oil, natural, 45°, drums, New York	17.5	17.5	15.2	15.2	15.2
Sperm oil, bleached, winter 45°, drums, New York	18.5	18.5	16.2	16.2	16.2
Tall oil, crude, tanks, works	3.5	3.6	3.6	3.6	3.6
Tall oil, refined, tanks, works	7.5	7.5	7.5	7.5	7.5
Tallow, edible, loose, Chicago	7.5	8.6	11.1	11.3	12.2
Tallow, inedible, packers' prime, c.a.f. delivered, Chicago	5.1	5.9	8.3	8.4	8.6
Tallow, inedible, bleachable fancy, delivered, Chicago	5.4	6.1	8.8	8.8	8.8
Tallow, No. 1, inedible, delivered, Chicago	4.4	5.4	7.6	7.9	8.1
Tallow, special, inedible, tanks, delivered, New York	5.4	6.0	8.5	8.5	8.6
Tung oil, imported, drums, f.o.b. New York	41.1	27.6	26.5	27.2	29.6
Tung oil, tanks, New York	39.1	25.6	24.6	25.4	27.6
Tung oil, domestic, tanks, f.o.b. mills	39.1	25.7	24.6	25.2	27.2
Retail prices 4/					
Butter	74.8	73.9	75.0	74.9	74.8
Margarine	27.4	26.1	27.8	27.8	28.0
Lard	19.9	20.0	N.A.	N.A.	N.A.
Shortening	28.3	26.4	29.3	29.4	29.7
Salad Dressing	37.8	5/74.4	5/73.6	5/74.0	5/74.2
Peanut Butter	57.6	58.1	59.7	59.9	60.0
Cooking and Salad oils	---	31.8	34.0	34.3	34.8

1/ 3-cent processing tax suspended during October 1957-June 1966. 2/ Nearby futures. 3/ 3-cent processing tax suspended during July 1959-June 1966. 4/ Leading cities. New series, consumer Price Index revised January 1964. 5/ Italian only.

THE FATS AND OILS SITUATION

Approved by the Outlook and Situation Board, May 28, 1965

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SUMMARY

The outlook for food fats and oils during the remainder of the marketing year ending September 30, 1965, is for seasonal declines in production and domestic disappearance and some tapering off in exports. Production for the second half of the marketing year probably will total about the same as a year earlier but domestic disappearance is expected to be lower. Wholesale prices of edible oils declined sharply in late April after soybean prices had passed their seasonal peak. However, prices of cottonseed and soybean oils and lard during June-September 1965 probably will continue above year-earlier levels but the difference will not be as great as the 30 percent higher average registered during October-May 1964-65. Carryover stocks next October 1 are expected to be the smallest since 1960, chiefly reflecting reduced stocks of edible vegetable oils and soybeans.

Soybean prices to farmers advanced from $2.55 per bushel last October to $2.85 in March-April 1965, then declined to $2.72 in May. The average for October-May 1964-65 was $2.72 per bushel compared with $2.55 the same 8 months a year ago. Soybean prices will continue to fluctuate over the rest of the marketing year but the trend probably will be downward. However, they are expected to average above the June-September 1964 level of $2.39 per bushel. Soybean supplies during the last quarter will be much smaller than a year earlier and crushings and exports will fall off sharply.

Soybean crushings in 1964-65 are currently running 12 percent ahead of last year and may total around 470 million bushels compared with 441 million a year ago. Exports are up 9 percent and the season's total is expected to approximate 205 million bushels compared with 191 million in 1963-64. As a result, carryover of old-crop soybeans on September 30, 1965, is expected to be around 10 million bushels compared with 32 million last September 30.

Exports of food fats in October-March 1964-65 totaled a record 2.9 billion pounds, about 15 percent more than the 2.5 billion in the first half of the 1963-64 marketing year. More soybeans and edible vegetable oils but less butter and

lard were shipped abroad. Exports during April-September 1965 are estimated at 2.3 billion pounds compared with 2.5 billion in the same months in 1964. Edible vegetable oil exports for the entire 1964-65 marketing year are now placed at around 1.9 billion pounds, 12 percent more than in 1963-64.

REVIEW AND OUTLOOK

Soybean Crushing Rate Will Decline; Bean Prices Continue Higher Than Last Year

Soybean crushings in October-April 1964-65 totaled 291 million bushels compared with 259 million a year earlier (table 2). Oil yield per bushel of soybeans crushed so far this marketing year has averaged 10.82 pounds and meal, 47.7 pounds. Estimate of crushings for all of 1964-65 remains at approximately 470 million bushels compared with 441 million in 1963-64. This would require an average grind of around 35.8 million bushels per month during May-September 1965 compared with 36.4 million per month in the same period last season. The decline in the crushing rate is partly seasonal but also reflects the limited supply of soybeans remaining. Also, processing margins are smaller than in the first half of the 1964-65 season. Stocks of soybeans at processing plants on May 1 totaled 97 million bushels compared with 56 million on May 1, 1964. Thus, processors have enough beans at the mills for at least a 3-month-crush (processors also own beans at elevators and terminals but May 1 stocks data are not available).

A soybean crush of 470 million bushels will produce about 5,100 million pounds of crude soybean oil (assuming yield of 10.85 pounds per bushel) and about 11.3 million tons of soybean meal (assuming yield of 48.1 pounds per bushel).

Processors' margins (the spot spread between the prices paid by crushers for soybeans and the combined value of soybean oil and meal) averaged 13 cents per bushel in October-December 1964, then dropped to 3 cents in January-April 1965. In May 1965, the cash price of soybeans (No. 1 yellow, Illinois country shipping points) averaged $2.81 per bushel and the total value of oil and meal (Decatur, Ill.) was only $2.82, resulting in a spot margin of about one cent. The squeeze on margins developed because soybean prices rose without comparable increases in the total value of products. While on the decline in prices, soybeans have tended to lag more than products, primarily soybean oil.

Soybean prices to farmers rose from $2.55 per bushel in October 1964 to a seasonal peak of $2.85 in March-April 1965, then turned down to $2.72 in May. As of January 1, 1965, farmers had marketed nearly 75 percent of their 1964 crop and by April 1, 86 percent. The 1964-65 season average price received by farmers (weighted by marketings) is estimated at $2.66 per bushel compared with $2.51 the year before. Soybean prices are likely to continue to fluctuate considerably over the rest of the current marketing year but the trend probably will be downward. However, they are expected to average above the June-September 1964 level of $2.39 per bushel. Soybean prices usually decline in September as new-crop beans become available. However, prices for early movement of the 1965 crop in September likely will be favorable because the soybean carryover is expected to be at the minimum level, oil stocks are expected to be down sharply, and export demand for soybeans and products likely will remain strong.

Table 2.--Soybeans: Supply and disposition crop years, 1956-64

Item	Year beginning October									
	1956	1957	1958	1959	1960	1961	1962	1963	1964 1/	1965 2/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Supply										
Stocks, October 1	3.7	9.9	21.1	62.1	23.2	6.0	57.6	15.1	32.0	10
Production	449.3	483.4	580.2	532.9	555.3	679.6	669.2	699.4	699.9	829
Total supply	453.0	493.3	601.3	595.0	578.5	685.6	726.8	714.4	731.9	839
Disposition										
Seed, feed and residual	41.7	32.9	27.9	37.0	40.2	36.0	56.9	50.4	47	
October-April:										
Crushings	192.8	206.2	242.7	238.6	252.1	266.3	285.0	258.8	291	
Exports	59.8	59.2	70.2	83.9	92.7	104.7	120.0	127.4	139	
May 1, supply remaining	158.7	195.0	260.5	235.5	193.5	278.6	264.9	277.8	255	
May-September:										
Crushings	123.2	147.6	158.5	154.8	150.1	172.5	189.5	182.1	179	
Exports	25.6	26.3	39.9	57.5	37.4	48.5	60.3	63.7	66	
Season totals										
Crushings	316.0	353.8	401.2	393.4	402.2	438.8	474.5	440.9	470	
Exports	85.4	85.5	110.1	141.4	130.1	153.2	180.3	191.1	205	
Ending stocks										
Commercial	4.7	7.2	4.5	13.5	6.0	6.6	13.4	21.4	10	
Reseal	---	---	13.4	---	---	11.0	---	10.6	0	
CCC	5.2	13.9	44.2	9.7	---	40.0	1.7	---	0	
Total	9.9	21.1	62.1	23.2	6.0	57.6	15.1	32.0	10	
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Price per bushel										
Support	2.15	2.09	2.09	1.85	1.85	2.30	2.25	2.25	2.25	2.25
Received by farmers	2.18	2.07	2.00	1.96	2.13	2.28	2.34	2.51	3/2.66	

1/ October-April is partly estimated. Disposition through the rest of the crop year is forecast. 2/ Forecast. Production estimate based on March 1 planting intentions and 1959-63 average yield per acre. 3/ Preliminary.

Table 3.--Cottonseed: Supply and disposition, crop years, 1956-64

Item	Year beginning August									
	1956	1957	1958	1959	1960	1961	1962	1963	1964 1/	1965 2/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Supply										
Stocks, August 1	177	164	175	100	105	188	280	234	170	200
Production	5,407	4,609	4,798	5,991	5,886	5,978	6,139	6,192	6,225	
Total supply	5,584	4,773	4,973	6,091	5,991	6,166	6,419	6,426	6,395	
Disposition										
Seed, feed and residual	450	345	430	487	446	340	342	362	287	
August-April:										
Crushings	4,464	3,808	4,046	4,919	4,741	4,842	5,214	5,123	5,105	
Exports	10	6	3	7	4	4	9	5	5	
May 1, supply remaining	660	614	494	678	800	980	854	936	998	
May-July:										
Crushings	495	439	393	572	611	697	619	763	795	
Exports	1	3/	1	1	1	3	1	3	3	
Season totals										
Crushings	4,959	4,247	4,439	5,491	5,352	5,539	5,833	5,886	5,900	
Exports	11	6	4	8	5	7	10	8	8	
Ending stocks	164	175	100	105	188	280	234	170	200	
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Price per ton										
Support 4/	44.00	42.00	41.00	34.00	34.00	45.00	44.00	44.00	44.00	43.00
Received by farmers	53.40	51.10	43.80	38.80	42.60	51.10	47.90	50.70	5/47.10	

1/ August-April is partly estimated. Disposition through the rest of the year is forecast. 2/ Forecast. 3/ Less than 500 tons. 4/ Purchase Price, Basis Grade. 5/ Preliminary.

As of May 1, 1965, about 13.5 million bushels of 1964 crop soybeans remained under CCC loan. Farmers have until July 31, 1965, to decide whether to redeem loans or deliver their beans to CCC. CCC takeover of 1964-crop beans is expected to be negligible because of the favorable market prices. There will be no reseal program for 1964-crop soybeans.

Soybean Exports Continue At Record Pace; Carryover Estimate Remains at 10 Million Bushels

Based on inspections, soybean exports from October 1, 1964, through May 28, 1965, totaled 151 million bushels, 12 million more than a year ago. This increase is about in line with early season expectations and represents virtually the entire increase projected for the marketing year. Soybean exports through early summer 1965 are expected to continue to show a marked increase over the previous year's level, but may taper off in late summer as supplies are sharply reduced. The estimate remains at 205 million bushels compared with 191 million in 1963-64.

Western European countries, Japan, Canada, and Israel continue to be the major foreign markets for U. S. soybeans. In 1963-64, these countries accounted for nearly 95 percent of U. S. soybean exports. These economically advanced dollar markets take U. S. soybeans for use as meal in animal feeds, and as edible oil in food products such as liquid cooking and salad oils, margarine, and shortening. Spain became a significant new outlet for U. S. soybeans in the current crop year.

Japan remains one of the largest single foreign outlets for U. S. soybeans in 1964-65 (taking 26 million bushels during October-March). Although Japan's use of soybeans and their products is expanding rapidly, much of this increased need has been met since 1961 by soybean imports from Communist China. These imports have increased from 1.6 million bushels in 1961 to 10.4 million bushels in 1964. Recent trade negotiations indicate Japan may import about 13 million bushels of soybeans from Communist China in 1965. The chief attraction of Chinese soybeans is a lower price though Japan prefers the higher quality and oil content of U. S. soybeans for crushings.

Soybean exports by Communist China may be slightly larger in 1964-65. Both its acreage and its yields were thought to have increased in 1964. If so, Communist China may be encouraged to increase exports of soybeans to Japan and Europe to help pay for its substantial imports of wheat.

Based on a U. S. crush of 470 million bushels, on exports of 205 million bushels, and on an allowance of about 47 million bushels for seed, feed, and loss, the carryover of old-crop soybeans on September 30, 1965, would be around 10 million bushels compared with 32 million last September 30. Such a soybean carryover is less than 1 week's requirements for crushing and export.

Soybean Oil Stocks Remain Below Year-earlier Levels; Prices Drop Sharply in May

The 1964-65 supply of soybean oil is estimated at 5.7 billion pounds, about the same as a year earlier, as increased production this year is tending to offset smaller starting stocks on October 1, 1964 (see table 5, page 11). Domestic use is expected to total 4.0 billion pounds and exports about 1.3 billion, resulting in carryover stocks on September 30, 1965, of around 0.4 billion pounds (crude and refined). This would be the smallest since the 0.3 billion pounds in 1960, excluding finished-product stocks.

Domestic disappearance of soybean oil during October-March 1964-65 totaled 2,019 million pounds compared with 1,942 million a year earlier. Increased usage in salad and cooking oils during those 6 months more than offset declines in the consumption of bean oil in margarine and shortening manufacture. Higher prices this year than last probably contributed to the drop, since both margarine and shortening output was about unchanged. The production of soybean salad and cooking oils during October-March 1964-65 totaled 765 million pounds, 23 percent more than the 621 million pounds the same months in 1963-64.

Domestic disappearance of soybean oil during April-September 1965 probably will be down from the 2.1 billion pounds in 1964. When soybean oil prices turned around and started to increase last summer, there was a sharp pickup in domestic disappearance, especially in the July-September quarter. A considerable part of the heavy purchases on that rising market is believed to have moved into inventories in unreported positions or pipeline supplies. With oil prices currently on a decline, buying during April-September 1965 probably may not be as great as a year earlier as inventories in unreported positions move into consumption.

Monthly average prices of soybean oil (crude, Decatur) jumped from 10.9 cents per pound in October 1964 to 12.2 cents in November, remaining at this level through April 1965. The October-April 1964-65 average was 11.9 cents per pound compared with 8.4 cents during the same months the year before. Bean oil prices started to tumble in late April and by late May 1965 had fallen to 10.4 cents per pound, down 15 percent from April. For the rest of the marketing year, prices probably will average sharply below the October-April level of 11.9 cents per pound but somewhat above the June-September 1964 average of 9 cents.

Soybean oil stocks usually increase sharply during the heavy crushing period in the first part of the marketing year. This year, soybean oil stocks (crude and refined) increased from 578 million pounds on October 1, 1964, to only 614 million April 1, 1965, then declined to 580 million on May 1. The increase was modest in view of the record grind. Stocks on May 1, 1964, had totaled 922 million pounds.

Soybean Meal Exports Now Estimated at 2.0 Million Tons; Prices Are Firm

The 1964-65 supply of soybean meal is estimated at 11.4 million tons compared with 10.8 million for 1963-64. Domestic use is expected to total about 9.3 million tons (it was 9.2 million in 1963-64) and exports may reach a record 2.0 million (they were 1.5 million in 1963-64).

Production of soybean meal during October-April totaled 6.9 million tons, 12 percent more than a year ago. Most of the increased output has been exported since domestic disappearance was only a shade above the previous year.

Exports of soybean meal during October-March 1964-65 (the latest data available) totaled a record 1.2 million tons, 82 percent more than the first half of the 1963-64 marketing year. The increases over last year are going primarily to Western Europe.

Domestic disappearance of soybean meal totaled about 4.8 million tons during October-March 1964-65, 2 percent above the previous year. Prices of livestock are averaging higher than the year before but the number of high-protein consuming animals is lower. Also, with soybean meal prices averaging about as high as in 1963-64, competition from synthetic urea is encouraged as a substitute protein source. Soybean meal stocks at processors' plants on May 1, 1965, at 217,000 tons, were 61,700 more than on the same date last year.

Monthly average prices of soybean meal(44 percent protein, bulk, Decatur) have ranged between $66 and $70 per ton during October-May 1964-65, averaging $69 for this period compared with $73 the previous year. Prices during June-September probably will continue relatively firm, averaging above the $66-per-ton level of those months of 1964. Seasonal declines in output and strong export demand are factors which will hold soybean meal prices above the year-earlier level this summer.

Cottonseed Crushings and Oil Output Tapering Off Seasonally

Movement of cottonseed from gins to oil mills totaled 5,832,800 tons during August-April, 94 percent of the 1964 crop of 6,225,000 tons. Most of the remaining 6 percent is being used on farms for planting the 1965 cotton crop with the usual small amount being exported. Crushings for the 1964-65 marketing year are estimated at 5,900,000 tons or about the same as the year before. The actual crush through April 1965 was about in line with this estimate for the season. A crush this size would produce 1,975 million pounds of crude cotton oil (using an oil yield of 335 pounds per ton) and 2.7 million tons of cake and meal (using a meal yield of 930 pounds per ton). Cottonseed crushings and oil output are tapering off seasonally as the marketing year nears completion.

The supply of cottonseed oil for 1964-65 is placed at 2.6 billion pounds, 4 percent more than the year before. Domestic use is still estimated at 1,500 million pounds but the export estimate has been reduced to 650 million pounds for the cottonseed marketing year, leaving estimated carryover stocks (crude and refined) on August 1, 1965, of around 435 million pounds compared to 611 million the same date last year.

Domestic disappearance of cottonseed oil during August-March 1964-65 totaled 1,052 million pounds compared with 951 million the year before. The biggest increase over last year was in cooking and salad oil, which accounts for about three-fifths of domestic disappearance. Use in shortening manufacture was also higher but consumption in margarine was off slightly.

Exports of cottonseed oil during August-March totaled 522 million pounds (including 101 million pounds foreign donations) compared with 321 million a year earlier. About 100 million pounds of the increase is attributed to foreign donations of CCC cotton oil acquired under the 1963 price support program. The other 100-million-pounds increase has been in exports to Western Europe, Africa, and South America.

Cottonseed oil stocks normally rise from a low in September or October to a high in April or May, reflecting the highly seasonal nature of the cottonseed crushing industry. This year, stocks (crude and refined) increased from 433 million pounds on October 1, 1964, to 583 million on May 1, 1965. May 1 stocks were 28 percent less than the 810 million on hand May 1, 1964. Cotton oil stocks have now passed their seasonal peak and are expected to decline over the rest of the marketing year, remaining well under year-earlier levels.

Cottonseed oil prices (crude, Valley points) rose from 10.3 cents per pound in August 1964 to 13.0 cents in March 1965, then declined to 11.0 cents in late May. The 10-month average was 11.7 cents compared with 9.8 cents during August-May 1963-64. Both domestic and export demands have been strong this marketing year, reducing stocks below year-earlier levels. The increased disappearance rate this season is partly due to the favorable competitive price premium of cottonseed oil over soybean oil during August-May 1964-65 which averaged a half cent a pound compared with 1.4 cents the year before. Cotton oil this summer will continue to command a premium over bean oil but the gap will be narrower than last year.

Cottonseed meal prices (41 percent protein, bulk, Memphis) generally declined from about $63 per ton in August 1964 to $54 in May 1965, averaging $60 for the 10 months compared with $65 in 1963-64. Domestic disappearance during August-March was 2.1 million tons, about the same as a year earlier; exports were 87,100 tons compared with 39,200 tons in August-March 1963-64. Cottonseed meal prices during the summer are expected to average somewhat below the June-August 1964 level of $58 per ton.

Edible Oil Exports for 1964-65 Placed at 1.9 Billion Pounds

Cottonseed and soybean oil supplies (crude and refined) for 1964-65 are estimated at 8.1 billion pounds, roughly the same as in 1963-64, as increased production tends to offset smaller starting stocks on October 1, 1964 (table 5). Domestic use is placed at 5.5 billion pounds and exports at 1.9 billion, leaving carryover stocks of 0.7 billion pounds on September 30, 1965. This compares with 1.0 billion pounds on the same date last year, 1.4 billion on September 30, 1963, and the 1955-60 carryover average of 0.5 billion pounds.

Exports of edible vegetable oils in 1964-65 are now forecast at 1.9 billion pounds, about 12 percent more than in 1963-64 but slightly below the March estimate. This is due to reduced P. L. 480 export prospects for cottonseed oil. Increased commercial cottonseed oil exports to Iran appear to about offset sharply reduced exports to Japan. Cottonseed oil exports to Western Europe are running slightly ahead of the 1963-64 level and prospects for the remainder of the year have improved in recent weeks. Exports of edible oils under the Food-for-Peace Program are now placed at 1,025 million pounds compared with 862 million in 1963-64. Soybean oil is likely to account for approximately two-thirds of the total. Prospective exports of these oils are shown in table 4.

Table 4.--Cottonseed and soybean oils: Dollar and Food-for-Peace exports, 1964-65 forecast compared with 1962-63 and 1963-64

Export financing	Year beginning October								
	1962-63 1/			Preliminary 1963-64 1/			Forecast 1964-65 1/		
	SBO	CSO	Total	SBO	CSO	Total	SBO	CSO	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Dollars 2/	515	208	723	503	323	826	500	375	875
Food for Peace:									
(P.L. 480)									
Title I	526	129	655	413	220	633	490	85	575
Title II	40	16	3/56	27	7	34	40	---	40
Title III 4/	68	29	97	50	33	83	175	160	335
Title IV	13	---	13	111	1	112	70	5	75
Total P.L. 480	647	174	821	601	261	862	775	250	1,025
Grand total	1,162	382	1,544	1,104	584	1,688	1,275	625	1,900

1/ Partly estimated. 2/ Includes some AID. 3/ Excludes 7 million pounds shortening shipped under Title II. 4/ Donations and barter.

Exports of edible vegetable oils during October-March 1964-65 totaled 1,059 million pounds (including 81 million, foreign donations), 54 percent more than the 689 million (including 1 million pounds, foreign donations) the year before.

Soybean oil exports in October-March 1964-65 were 680 million pounds, 65 percent more than the 413 million the previous year. The biggest increase was to Spain which took 166 million pounds in the first half of this marketing year

Table 5 .--Food fats and oils: Supply and disposition, 1956-64

Item	Year beginning October									
									Forecast*	
	1956	1957	1958	1959	1960	1961	1962	1963 1/	1964	1965
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Stocks, October 1										
Soybeans--oil equivalent 2/	41	109	231	680	256	66	634	166	352	3/110
Butter	90	145	146	93	136	238	4/419	4/450	4/188	188
Lard	123	69	46	93	92	100	73	81	68	68
Cottonseed oil	254	146	154	190	217	170	296	488	433	283
Soybean oil	227	286	281	298	308	677	618	920	578	403
Other 5/	66	49	56	60	78	94	128	182	118	93
Sub-total	760	694	6/683	734	830	1,279	1,534	2,121	1,385	1,035
Finished products 7/	129	113	118	142	156	249	8/442	314	205	150
Total food fats and oils	889	807	801	876	987	1,528	1,976	2,435	1,590	1,185
Imports	52	70	74	66	81	91	55	73	75	
Production										
Butter	1,527	1,502	1,413	1,435	1,488	1,596	1,491	1,447	1,500	
Lard	2,614	2,423	2,679	2,726	2,484	2,471	2,497	2,480	2,250	
Cottonseed oil 9/	1,629	1,420	1,589	1,832	1,786	1,952	1,930	1,939	1,975	
Soybean oil	3,431	3,800	4,251	4,338	4,420	4,790	5,091	4,822	5,100	
Other 5/ 9/	719	678	767	771	863	923	1,057	1,101	1,150	
Sub-total	9,920	9,823	10,700	11,102	11,041	11,731	12,066	11,789	11,975	
Soybean exports (oil equiv.)	937	939	1,209	1,552	1,431	1,685	1,983	2,102	2,250	
Total food fats and oils	10,857	10,762	11,909	12,654	12,472	13,416	14,049	13,891	14,225	
Total supply	11,798	11,639	12,784	13,596	13,540	15,035	16,080	16,399	15,890	
Exports 10/										
Butter	18	36	19	22	9	11/19	11/131	11/319	11/180	
Lard	590	461	608	716	513	508	571	706	575	
Cottonseed oil 9/	427	250	406	506	11/371	11/474	11/392	11/586	625	
Soybean oil	807	804	930	953	11/721	11/1,308	11/1,165	11/1,104	1,275	
Other 5/ 9/	62	19	34	43	11/40	11	15	87	125	
Adjustment 12/	61	85	117	88	83	77	93	111	125	
Sub-total	1,965	1,655	2,114	2,328	1,737	2,397	2,367	2,913	2,905	
Soybeans (oil equivalent)	937	939	1,209	1,552	1,431	1,685	1,983	2,102	2,250	
Total exports	2,903	2,593	3,323	3,880	3,168	4,082	4,350	5,015	5,155	
Domestic use										
Butter	1,458	1,467	1,449	1,373	1,379	1,400	1,331	1,392	1,320	
Lard 13/	2,039	1,994	2,204	2,005	1,968	1,985	1,908	1,789	1,675	
Cottonseed oil	1,310	1,195	1,147	1,299	1,461	14/ [1,352	1,347	1,407	1,500	
Soybean oil	2,565	3,051	3,304	3,376	3,329	[3,540	3,624	4,060	4,000	
Other 5/	722	719	796	773	912	968	1,040	1,150	1,125	
Adjustment 12/	-61	-85	-117	-88	-83	-77	-93	-111	-125	
Total 13/	8,033	8,341	8,603	8,739	8,965	9,168	9,157	9,687	9,495	
Total (calculated net) 15/	8,049	8,336	8,579	8,725	8,872	8,977	9,295	9,794	9,550	
Total use for food 16/	7,886	8,145	8,389	8,438	8,560	8,602	8,902	9,529		
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	
Per capita, civilian and military 17/										
Butter (fat content)	6.9	6.8	6.6	6.1	6.1	6.1	5.7	5.9	5.5	
Other	37.7	38.5	39.4	39.3	39.2	38.7	39.8	42.5	40.6	
Total (fat content)	44.6	45.3	46.0	45.4	45.3	44.8	45.5	48.4	46.1	

1/ Preliminary. 2/ Not included in total stocks. 3/ Oil equivalent of 10 million bushels of soybeans. 4/ Includes estimates of butter oil, ghee, and canned butter. 5/ Includes beef fats, peanut, corn, olive and sesame oils. 6/ Adjusted to new Census basis which includes hydrogenated oils and stearin. 7/ Shortening and salad and cooking oils. 8/ Includes 100 million pounds of shortening and salad and cooking oils (75 million SBO and 30 million CSO) which was held by CCC on October 1, 1962 for foreign donations during 1962-63. 9/ Includes oil equivalent of oilseeds exported. 10/ Includes shipments. Butter, cottonseed oil and adjustments include quantities from CCC stocks that are not reported in Census data. 11/ Includes estimates of foreign donations of fats and oils, not reported by Census. 12/ Includes exports of processed food oils not classified by kind, shortening and other secondary fats. 13/ Adjusted for estimated changes in stocks of farm lard. 14/ Includes 180 million pounds of shortening and salad and cooking oils purchased by CCC for foreign donations but not exported in 1961-62. 15/ Adjusted to reflect changes in stocks of finished products. 16/ Excludes food fats used for non-food purposes, but includes non-food oils (mostly coconut and palm kernel) used in food. 17/ Adjusted for trade and changes in stocks of shortening, margarine and salad and cooking oils.

*Except for October 1, 1964 stocks.

compared with nothing in 1963-64. Greece took 52 million pounds this year but nothing the same months last year. Exports to Asia (India, Iran, Israel, Pakistan) and South America (Argentina, Chile) were larger this year than last. Exports to Eastern Europe, primarily Poland, have been down sharply so far this year.

Cottonseed oil exports in October-March 1964-65 totaled 378 million pounds, 37 percent more than the 276 million a year earlier. About three-fourths of the increase is attributed to foreign donations of CCC cottonseed oil and the other fourth increased exports to West Germany, Iran, the United Kingdom, Morocco, and Brazil.

Edible oil exports during April-September 1965 are expected to be about 15 percent less than the 1.0 billion pounds exported in the same months of 1964.

Lard Exports and Domestic Use Trail Year-Ago Levels; Prices Decline

Commercial lard production during October-April 1964-65 totaled 1,381 million pounds, about 7 percent below the comparable period last season. The decline was due to a 4 percent reduction in hog slaughter and further reduced yields of lard per hog from 28.3 to 27.4 pounds. Hog slaughter is expected to continue well below 1964 levels throughout the year, reflecting the 8 percent decline in the 1964 fall pig crop and an expected similar reduction in the spring crop this year. Early indications of the June-August 1965 pig crop point toward a further cutback in farrowings in the second half of this year. Lard production (including farm) for all of 1964-65 (October-September) is placed at 2,250 million pounds, around 230 million below that of 1963-64.

Domestic disappearance of lard (excluding farm) during October-March 1964-65 totaled 874 million pounds compared with 937 million for this same period last season. The sharpest drop occurred in direct use. Lard used in shortening totaled 255 million pounds, down from the 267 million last year. Use of lard in margarine totaled 52 million pounds compared with 35 million pounds of a year ago. Use of lard in shortening over the balance of 1964-65 may show some pickup compared with last season, due to a more favorable position of lard prices in relation to competitive soybean oil. Total domestic disappearance of lard (including farm) in 1964-65 is estimated at 1,675 million pounds compared with 1,789 million in 1963-64. Lard stocks on May 1, 1965, were 147 million pounds, one-fourth above those of April 1, 1964.

On April 29, 1965, USDA announced the termination of Section 32 lard purchases for distribution to needy families, schools, and institutions. The last purchase was made May 27, 1965. Purchases under the program which started October 13, 1964, totaled 86 million pounds compared with 110 million during all of 1963-64.

On May 5, 1965, USDA announced termination of the margarine purchase program for domestic donations. Since inception of the program in December 1964, total purchases of margarine (where lard is the main ingredient) totaled 33 million pounds.

Lard exports during October-March 1964-65 totaled 232 million pounds compared with 282 million for that period last season. The entire decline occurred since January 1965, since exports during October-December 1964 exceeded those of a year ago. Exports during January-March 1965 were almost 100 million pounds below this period last year. The United Kingdom took 191 million pounds in October-March and accounted for about 82 percent of total U. S. lard exports. Exports to Brazil during the first 6 months of 1964-65 were 13 million pounds compared to zero the year before. Total lard exports (including shipments) for all of 1964-65 are estimated at about 575 million pounds, compared with 706 million in 1963-64.

Lard prices (tanks, loose, Chicago) during October-May 1964-65 averaged 11.4 cents per pound, 2.3 cents above the comparable period last season. Lard prices hit a seasonal peak of 12.3 cents in April 1965 but have been declining since, averaging 11.1 cents in May. They usually are seasonally low during the summer months. This summer they are expected to average slightly above the June-September 1964 level of 9.4 cents per pound.

Flaxseed Prices Move Above Support; PIK Program Started in April

Flaxseed prices (No. 1, Minneapolis) increased from a monthly average of $3.00 per bushel in July 1964 to $3.20 in November and have since held relatively steady. Prices in May 1965 averaged $3.18 per bushel, about 5 cents above the Minneapolis support rate but 6 cents under May 1964. Linseed oil prices (raw, tanks, Minneapolis) rose similarly from 13.3 cents per pound to 13.9 cents in November, holding at this level through May 1965.

Flaxseed supplies for the current marketing year ending June 30, 1965, are placed at 38 million bushels, 2 million below those of last season. Crushings probably will total around 22 million bushels, compared with 19 million last season. Exports are placed at 8 million bushels. Last year, flaxseed exports totaled 3.6 million bushels. These estimates indicate that carryover next July 1 will be appreciably less than the 13 million bushels a year earlier. In addition, CCC likely will be holding the 80 million pounds of linseed oil (equivalent of 4 million bushels of flaxseed) acquired through a toll crush program for 1963-crop flaxseed.

Farmers have placed 6.3 million bushels of 1964-crop flaxseed under the support program. At the end of April 1965, about 4.6 million bushels were still under loan. Loans mature June 30, 1965.

On April 7, 1965, the USDA announced a revision of official U. S. standards for flaxseed. The revised standards appeared in the Federal Register for April 9, 1965, and will become effective July 15, 1965. (For the major changes, see FOS-227, March 1965, page 18.)

The flaxseed crush during July-April 1964-65 was 18.1 million bushels, 2.6 million more than a year ago. The increase was due to the CCC toll crush program for 1963-crop flaxseed last summer. Linseed oil output during July-April was 364 million pounds compared with 313 million a year earlier. The increased output this year has gone mainly into CCC inventory since total disappearance of linseed oil is about the same as a year ago. Stocks of linseed oil (raw, boiled, and other) on May 1, 1965, totaled 212 million pounds, 80 million above the same date in 1964.

Factory consumption of linseed oil during July-March 1964-65 totaled 266 million pounds; for the entire marketing year, it may total 390 million pounds or about the same as in 1963-64. Exports for the current year are estimated at 25 million pounds compared with 14 million in 1963-64.

Linseed meal prices (36 percent protein, bulk, Minneapolis) moved up from $51.50 per ton in July 1964, to $61 in October 1964. Prices slipped slightly through the winter but were up to the $60 level again in April 1965. In May 1965, prices stood at an average of $63 per ton. Prices this summer are expected to average somewhat above the $55 level of June-September 1964. Domestic disappearance of linseed meal during July-March totaled 243,800 tons compared with 238,000 tons for this period last season. Linseed meal exports totaled 71,600 tons, up sharply from the 30,800 tons a year ago.

On April 16, 1965, the USDA began announcing daily export payment rates under the Payment-in-Kind (PIK) program for flaxseed and linseed oil. The first contract for flaxseed was executed under the program on April 23, 1965, for 12,000 bushels at an announced payment rate of 13 cents per bushel. Through late May, a total of 1.4 million bushels of flaxseed was registered for export under the program. Most of this flaxseed is being shipped to Belgium and the Netherlands. The first contract for linseed oil was executed on May 14, 1965, for 110,000 pounds at an announced payment rate of 0.9 cents per pound. As of late May, 110,000 pounds of linseed oil were registered for export, all of it to Mexico. Export payments are issued in the form of transferable PIK certificates and are redeemable for an equal value of commodities from CCC stocks. Since the start of the Program, export payment rates have ranged from 11 to 15 cents per bushel for flaxseed and proportionately for linseed oil.

Use of Inedible Tallow in Soap Increases; Prices Turn Down

Inedible tallow and grease production during 1964-65 is still estimated at 4.5 billion pounds, 2 percent above 1963-64. The small increase is due to greater cattle slaughter but at slightly lighter weights than that of a year ago.

Domestic disappearance of inedible tallow is placed at 2.2 billion pounds and exports at 2.3 billion pounds. On May 1, 1965, inedible tallow stocks totaled 408 million pounds, 3 percent above a year ago and 45 percent above October 1, 1964, start of the current marketing year. Stocks tend to increase seasonally in the spring.

Table 6.--INEDIBLE TALLOW: Programs under Titles I and IV, P.L. 480 as of May 1, 1965

Country	P.A. number	Purchase Authroization			
		Quantity 1/	Final delivery date	Recorded shipments 2/ 3/	Still to be shipped
	Mil. lb.			Mil. lb.	Mil. lb.
Carry-in 10/1/64					
Title I Programs					
Guinea	57-26	1.6	11-30-64	1.6	---
Ivory Coast	65-01	5.4	12-31-64	5.4	---
Korea	24-106	19.9	10-31-64	19.9	---
Pakistan	15-158	47.8	3-31-65	47.8	---
Turkey	10-82	31.1	10-31-64	31.1	---
Total		105.8		105.8	---
Title IV Programs					
China, Taiwan	31-408	22.0	12-31-64	22.0	---
Ecuador	29-412	.3	6-30-64	.3	---
Total		22.3		22.3	---
Since 10/1/64					
Title I Programs					
Colombia	25-47	6.6	2-28-65	6.3	.3
Guinea	57-34	2.2	2-28-65	1.9	.3
India	39-145	94.1	6-30-65	---	94.1
U.A.R.	46-118	14.6	3-31-65	14.6	---
Total		117.5		22.8	94.7
Title IV Programs					
China, Taiwan	37-411	20.5	11-30-65	.9	19.6
Greece	26-409	3.9	6-30-65	---	3.9
Yugoslavia	11-414	26.5	4-30-65	17.1	9.4
Total		50.9		18.0	32.9
Grand total		296.5		168.9	127.6

1/ Estimate based on market price at time P.A. was issued. 2/ Based on bills of lading received for current month and prior months. 3/ April shipments: Title I, Colombia (25-47) 2.2 million pounds, Pakistan (15-158) 1.5 million pounds, Title IV, China, Taiwan (37-411) .9 million pounds and Yugoslavia (11-414) 10.5 million pounds.

Source: Livestock and Meat Products Division, FAS

Factory consumption of inedible tallow and greases during October 1964-March 1965 totaled 1,079 million pounds compared with 1,050 million during the first 6 months of 1963-64. Use in soap at 353 million pounds was up 40 million from a year ago and represents the first time usage during that period exceeded the previous year since the early 1950's. Use in fatty acids and lubricants was also up but use in animal feeds was down from a year ago.

Inedible tallow and grease exports during October-March totaled 982 million pounds compared with 1,028 million a year ago. Some of this decline is attributed to the dock strike last winter and also to higher prices this year than last. As in recent years, Japan and Western Europe are the principal commercial takers. Exports under P. L. 480 continue to be substantial. As of May 1, 1965, 128 million pounds of inedible tallow and grease remained to be shipped under existing P. L. 480 purchase authorizations (table 6). This season, India contracted for the first time under Title I and will take about 94 million pounds. Other program countries include Pakistan, the UAR, Turkey, Yugoslavia, China (Taiwan), and Korea.

Inedible tallow prices (prime, c.a.f. delivered, Chicago) spiraled from 5.8 cents a pound in the summer of 1964 to a high of 8.6 cents in April 1965. Prices weakened slightly in May, averaging 8.1 cents compared to 5.8 cents in May 1964. Some further softening in price may develop through the June-September period before the somewhat heavy stocks are worked off. However, prices during this period are expected to average somewhat above the 6.4-cent-level of June-September 1964.

Tung Oil Supplies About One-third Above Year Ago; Prices Rise As Freeze Damage Is Reported

Tung oil production during November 1964-April 1965 was 35 million pounds, 14 million pounds above 1963-64. The total for the entire marketing year is expected to reach 36.5 million pounds since most of the 1964 tung nut crop has been crushed. This has been the longest milling season since 1958.

Tung oil imports during November 1964-March 1965 totaled 12 million pounds, slightly above those of last year. Total imports for the entire 1964-65 marketing year are placed at 18 million pounds compared with 30 million in 1963-64. Tung oil is imported mainly from Argentina.

Total 1964-65 U. S. supplies of tung oil (1964 production, stocks, and imports) are placed at about 75 million pounds, 18 million pounds or one-third above a year ago. Stocks on May 1, 1965, were 54 million pounds compared with 23 million the same date last year.

During November-March, factory consumption of tung oil totaled 13 million pounds or about the same as the year-earlier period. For the entire marketing year, domestic consumption is estimated at 34 million pounds, same as a year ago.

Tung oil prices (domestic, tanks, Southern mills) increased from 24.5 cents per pound in November 1964 to 27.5 cents in May 1965. The support price is 24.0 cents per pound. Tung oil prices have reacted to trade reports that the prospective 1965 tung nut crop suffered severe freeze damage in March just as trees were developing buds. The exact extent of the damage is not yet known. Similarly, freeze damage to the 1965 tung crop in South America was apparently greater than earlier anticipated.

As of mid-May, about 23.5 million pounds of tung oil were under the CCC price support program. Purchase agreements and loans on tung oil are available through June 30, 1965. Most of the tung oil under CCC loan likely will be redeemed because of favorable prices. Loans mature October 31, 1965, or earlier on demand by CCC. CCC currently owns about 15 million pounds of tung oil acquired from the 1963 crop. These CCC stocks will be needed in 1965-66 in view of the short crop coming up.

Nonfood Uses of Fats and Oils Increase Slightly in 1964

Domestic nonfood uses of fats and oils in calendar 1964 are placed at 4.9 billion pounds, nearly 3 percent more than in 1963 and the largest on record. On a per capita basis, the nonfood rate was 25.4 pounds compared with 25.1 in 1963. A slight drop in soap and drying oil products was more than offset by an increase in "other industrial" category. (See tables 7 through 12 for 1964 statistics with comparisons.)

The Fats and Oils Situation is published January, March, May, August and November.

The next issue is scheduled for release August 20, 1965.

Table 7.--Nonfood products: Fats and oils used, by product, total and per person, 1925-64

Year	Soap 1/		Drying oil 2/		Other industrial 1/ 3/		Total	
	Total	Per person	Total	Per person	Total	Per person	Total	Per person
	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.
Average								
1925-29	1,544	13.0	877	7.4	197	1.6	2,618	22.0
1930-34	1,546	12.3	585	4.7	290	2.3	2,421	19.3
1935-39	1,638	12.8	774	6.0	440	3.4	2,852	22.2
1940	1,867	14.1	807	6.1	412	3.0	3,085	23.4
1941	2,302	17.3	1,079	8.1	633	4.7	4,014	30.1
1942	2,033	15.1	973	7.2	660	4.9	3,666	27.2
1943	1,956	14.3	890	6.5	822	6.0	3,668	26.8
1944	2,215	16.0	917	6.6	856	6.2	3,989	28.8
1945	1,995	14.3	874	6.2	1,001	7.2	3,870	27.7
1946	1,762	12.5	934	6.6	879	6.2	3,575	25.3
1947	2,261	15.7	1,017	7.1	890	6.2	4,168	29.0
1948	2,060	14.1	1,081	7.4	843	5.7	3,984	27.2
1949	1,778	11.9	974	6.5	864	5.8	3,616	24.2
1950	1,822	12.0	1,178	7.8	1,177	7.7	4,177	27.5
1951	1,537	10.0	1,151	7.5	1,239	8.0	3,927	25.5
1952	1,384	8.8	1,033	6.6	1,256	8.0	3,672	23.4
1953	1,320	8.3	1,086	6.8	1,299	8.1	3,707	23.2
1954	1,197	7.4	1,018	6.3	1,370	8.4	3,585	22.1
1955	1,136	6.9	1,124	6.8	1,650	10.0	3,910	23.7
1956	1,058	6.3	1,107	6.6	1,860	11.1	4,025	23.9
1957	1,010	5.9	1,032	6.0	1,980	11.6	4,022	23.5
1958	928	5.3	934	5.4	2,198	12.6	4,060	23.3
1959	876	4.9	924	5.2	2,499	14.1	4,299	24.3
1960	872	4.8	833	4.6	2,627	14.6	4,331	24.1
1961	838	4.6	855	4.7	2,572	14.1	4,265	23.3
1962	782	4.2	876	4.7	3,104	16.6	4,762	25.5
1963	783	4.1	860	4.5	3,113	16.4	4,756	25.1
1964 4/	772	4.0	855	4.4	3,252	16.9	4,879	25.4

1/ Fat equivalent of soap used in synthetic rubber is included in "other industrial products". Adjusted for foreign trade and changes in stocks. 2/ Paints, varnishes, floor coverings, oilcloth, printing inks, core oils, synthetic resins, insulation, linings, packings, coated fabrics, caulking and other protective coatings. 3/ Includes use of fats and oils in chemicals, lubricants and greases, animal feeds; tin and terne plate, pharmaceuticals, leather, candles, synthetic organic detergents, toilet articles, and miscellaneous industrial products. 4/ Preliminary.

Computed from unrounded numbers.

Table 8.--Nonfood products: Fats and oils used, by kind, 1925-64

Year	Inedible tallow and grease	Linseed oil	Tall oil	Coconut oil	Soybean oil	Fish and marine oil	Castor oil	Tung oil	Palm oil	Other	Total 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average											
1925-29	746	752	---	343	7	80	55	94	146	395	2,618
1930-34	804	434	---	364	17	81	45	97	194	385	2,421
1935-39	949	517	---	345	43	131	61	118	153	535	2,852
1940	1,234	589	---	434	92	216	90	67	121	242	3,085
1941	1,649	814	41	532	124	216	157	69	185	227	4,014
1942	1,854	830	57	165	112	172	155	12	95	214	3,666
1943	1,759	768	119	195	162	195	99	12	64	295	3,668
1944	1,923	701	154	202	123	199	200	10	61	416	3,989
1945	1,839	639	190	158	133	266	164	23	72	386	3,870
1946	1,677	680	196	279	172	146	95	36	51	243	3,575
1947	1,882	575	177	661	270	168	116	106	43	170	4,168
1948	1,782	600	214	535	270	110	128	130	48	167	3,984
1949	1,666	443	186	398	321	142	130	103	42	185	3,616
1950	1,807	594	287	428	323	143	181	109	43	262	4,177
1951	1,660	699	323	380	306	131	174	61	44	149	3,927
1952	1,541	553	270	370	388	116	182	51	44	157	3,672
1953	1,568	556	280	339	368	112	169	51	39	225	3,707
1954	1,559	515	331	357	331	60	138	48	61	184	3,585
1955	1,635	526	508	364	341	68	134	51	59	223	3,910
1956	1,686	537	599	386	351	108	121	51	46	139	4,025
1957	1,815	454	560	383	321	108	138	48	42	153	4,022
1958	1,805	441	651	376	329	96	113	41	47	161	4,060
1959	1,775	459	749	458	359	91	130	48	33	197	4,299
1960	1,832	364	794	459	362	135	131	40	30	184	4,331
1961	1,737	374	774	486	342	154	123	40	37	198	4,265
1962	2,163	381	839	503	365	150	127	34	31	169	4,762
1963	2,134	394	892	533	385	89	131	31	27	140	4,756
1964 2/	2,144	351	1,003	536	392	104	153	31	24	141	4,879

1/ Adjusted for foreign trade and change in stocks. 2/ Preliminary.

Totals computed from unrounded numbers.

Table 9.--Soap: Fats and oils used, by kind, 1925-64 1/

Year	Inedible tallow and greases	Whale and fish oils	Palm oil	Coconut oil	Palm kernel oil	Other hard oils 2/	Soft oils 3/	Secondary fats and oils 4/	Rosin	Tall oil	Total saponifiable materials
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average											
1925-29	684	125	133	314	56	7	92	162	94	---	1,666
1930-34	695	107	175	332	17	4	64	171	106	---	1,670
1935-39	787	160	100	304	42	15	54	200	110	---	1,771
1940	1,043	108	85	397	5/	43	47	170	80	---	1,972
1941	1,368	76	130	484	1	35	50	190	105	---	2,438
1942	1,528	72	56	140	1	20	53	190	99	---	2,160
1943	1,360	45	33	142	2	121	27	270	120	11	2,130
1944	1,530	51	20	132	4	243	28	303	193	29	2,534
1945	1,364	114	24	59	32	152	11	364	122	30	2,273
1946	1,210	40	7	185	19	46	16	335	75	25	1,957
1947	1,526	43	1	511	5/	28	9	227	80	16	2,443
1948	1,451	35	1	417	3	25	9	181	53	18	2,193
1949	1,346	10	1	282	5/	27	10	156	40	14	1,887
1950	1,363	1	3	257	5/	66	9	174	43	13	1,929
1951	1,195	---	3	197	---	41	9	149	38	22	1,654
1952	1,084	---	3	204	5/	5	8	137	30	15	1,485
1953	1,026	5/	4	175	23	5/	6	135	20	14	1,403
1954	907	---	8	175	6	5/	5	135	19	12	1,267
1955	864	---	12	173	5	5	6	116	18	14	1,213
1956	813	5/	4	177	1	2	3	102	16	17	1,135
1957	789	---	2	173	---	1	1	98	9	12	1,086
1958	727	---	1	161	---	---	1	86	7	12	995
1959	729	---	5	144	11	---	1	34	6	23	953
1960	746	---	10	145	12	---	---	23	3	15	953
1961	721	---	---	140	14	---	---	23	5/	12	911
1962	683	---	1	141	5	---	1	19	---	10	859
1963	684	---	3	152	---	---	---	14	---	8	861
1964 6/	677	---	---	155	---	---	---	21	---	9	862

1/ Prior to 1949, most of the fats and oils used in synthetic detergents are believed to have been reported as used in soap. Beginning 1949, this use of fats and oils is entirely included in "other inedible products" and thus is excluded from the figures shown in this table. 2/ Includes beef fats, vegetable tallow and babassu. 3/ Includes the following oils: Soybean, cottonseed, corn, castor, peanut, olive inedible and foots, edible olive, neatsfoot, linseed, perilla, sesame, tung and "other vegetable oils". 4/ Includes inedible animal stearine, grease (lard) oil, tallow oil, foots and other soap stock, red oil, stearic acid and other fatty acids. 5/ Less than 500,000 pounds. 6/ Preliminary.

Table 10.--Fats and oils used in drying oil products, by kind of oil, 1925-64

Year	Linseed oil	Soybean oil	Tung oil	Fish oil	Castor oil	Oiticica oil	Perilla oil	Other primary fats and oils	Secondary fatty materials	Tall oil	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average											
1925-29	752	4	94	20	2	---	5	---	---	---	877
1930-34	433	12	97	22	2	---	17	3	---	---	585
1935-39	514	22	118	39	7	6	63	6	---	---	774
1940	585	46	67	47	25	15	20	4	---	---	807
1941	807	62	69	57	46	27	9	3	---	---	1,079
1942	819	33	12	32	63	9	3	3	---	---	973
1943	757	39	12	36	22	4	2	1	15	2	890
1944	688	37	10	47	90	11	1/	1/	27	7	917
1945	627	46	23	58	60	19	1/	3	32	7	874
1946	663	67	36	48	35	25	1/	8	39	15	934
1947	567	159	106	47	44	13	1/	6	44	32	1,017
1948	595	162	130	40	53	13	1/	7	46	36	1,081
1949	428	220	103	26	51	12	---	8	73	53	974
1950	590	213	109	33	66	12	---	24	60	70	1,178
1951	665	194	61	28	38	12	---	12	57	84	1,151
1952	536	209	51	36	41	11	---	11	50	87	1,033
1953	536	242	51	34	39	10	---	13	69	93	1,086
1954	498	209	48	23	38	8	---	16	60	116	1,017
1955	504	226	51	33	63	12	---	24	89	123	1,125
1956	513	194	51	32	73	11	---	20	67	146	1,107
1957	437	191	48	33	79	11	---	13	93	128	1,032
1958	427	158	41	30	64	10	---	12	81	111	934
1959	448	184	46	21	83	9	---	13	35	84	2/924
1960	351	172	38	49	85	15	---	7	31	86	2/833
1961	365	163	38	73	75	7	---	6	32	96	2/855
1962	374	166	32	70	77	16	---	9	28	104	2/876
1963	388	178	31	22	83	5	---	17	31	105	2/860
1964 3/	336	189	31	58	92	10	---	7	26	106	2/855

1/ Less than 500,000 pounds. 2/ Excludes fats and oils used in fatty acids, many of which are used in drying oil products. 3/ Preliminary. Totals computed from unrounded numbers.

Table 11.--Surface coatings: Production and fats and oils and plastics used, 1931-64

Year	Production of paints, varnishes, lacquers, and enamels		Use of fats and oils			Use of plastics 3/		Drying oil-plastic usage ratio
	Total 1/	Containing drying oils	Total 2/	Per gallon: All paints and varnishes	Per gallon: Containing drying oils	Total	Per gallon	
	Mil. gal.	Mil. gal.	Mil. lb.	Lb.	Lb.	Mil. lb.	Lb.	Ratio
Average:								
1931-34	201	140	474	2.4	3.4	---	---	---
1935-39	298	208	641	2.2	3.1	---	---	---
1940	336	231	652	1.9	2.8	115	.3	5.7
1941	438	303	875	2.0	2.9	189	.4	4.6
1942	405	291	775	1.9	2.7	148	.4	5.2
1943	434	313	700	1.6	2.2	249	.6	2.8
1944	473	349	694	1.5	2.0	291	.6	2.4
1945	493	358	644	1.3	1.8	309	.6	2.1
1946	586	413	683	1.2	1.7	398	.7	1.7
1947	582	399	706	1.2	1.8	453	.8	1.6
1948	577	396	766	1.3	1.9	467	.8	1.6
1949	525	349	731	1.4	1.9	519	1.0	1.4
1950	641	432	873	1.4	1.8	646	1.1	1.4
1951	590	389	887	1.5	1.9	740	1.3	1.2
1952	583	374	809	1.4	1.8	729	1.3	1.1
1953	665	381	868	1.3	2.0	803	1.2	1.1
1954	635	375	815	1.3	1.8	770	1.2	1.1
1955	719	371	842	1.2	1.8	918	1.3	.9
1956	693	371	858	1.2	1.9	825	1.2	1.0
1957	669	353	795	1.2	1.8	887	1.3	.9
1958	595	367	731	1.2	1.6	870	1.5	.8
1959	650	4/	791	1.2	4/	975	1.5	.8
1960	663	4/	716	1.1	4/	962	1.5	.7
1961	623	4/	744	1.2	4/	979	1.6	.8
1962	643	4/	763	1.2	4/	1,066	1.7	.7
1963	678	4/	747	1.1	4/	4/	4/	4/
1964	725	4/	743	1.0	4/			

1/ Production of surface coatings are estimates of Stanford Institute, Chemical Economic Handbook prior to 1958. Beginning in 1958 Census data represent U. S. total. 2/ Includes an estimated 90-95 percent of the oil listed by Census as used in synthetic resins which end up in protective coatings. 3/ Stanford Research Institute, Chemical Economics Handbook. 4/ Not available.

Table 12.--Fats and oils used in drying-oil products, by type of product, 1931-64

Year	Paint and varnish 1/	Floor coverings and oilcloth	Resins 1/ 2/	Other	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average					
1931-34	474	67	---	22	562
1935-39	641	95	---	38	774
1940	652	112	---	43	807
1941	875	137	---	68	1,079
1942	775	116	---	82	973
1943	700	76	---	114	890
1944	694	85	---	138	917
1945	644	79	---	151	874
1946	683	88	---	162	934
1947	706	142	---	169	1,017
1948	766	167	---	149	1,081
1949	655	148	82	89	974
1950	772	153	105	148	1,178
1951	743	134	156	118	1,151
1952	691	125	128	87	1,033
1953	750	117	128	93	1,086
1954	693	113	132	79	1,017
1955	677	111	178	158	1,125
1956	687	106	185	129	1,107
1957	622	102	187	122	1,032
1958	602	86	139	107	934
1959	619	63	186	56	924
1960	558	41	171	63	833
1961	595	44	161	54	855
1962	609	43	166	57	876
1963	575	30	186	70	860
1964 3/	569	36	188	61	855

1/ About 90-95 percent of the oil listed by Census as used in synthetic resins end up in protective coatings. New totals may be obtained by shifting these resins to paints and varnishes. 2/ Not available prior to 1949. 3/ Preliminary.

Totals computed from unrounded numbers.

TRENDS IN U. S. PEANUT ACREAGE, PRODUCTION AND USAGE, 1947-65

by

George W. Kromer

Peanuts, also known as groundnuts, are a basic cash crop of economic importance to approximately 100,000 farmers in the Virginia-Carolina area, Southeastern area, and Southwestern areas of the United States. 1/ The peanut is a legume closely related to the bean and pea but differs from them because it develops its pods underground. Also, its high oil content makes it more like a nut than like other legumes.

In the United States, peanuts are grown almost exclusively for the domestic food market. **More than two-thirds of the crop is utilized for edible** consumption as nuts. **In other major-producing countries--India, Mainland China**, Senegal, Niger, Mali, and Nigeria--peanuts are produced primarily for their oil and meal. Consequently, the United States plays a relatively minor role in the international trade of peanuts for crushing into oil and meal. The Commodity Credit Corporation (CCC) price support rate maintains U. S. peanut prices at a level about double the world price of peanuts. 2/ For this reason, virtually all U. S. exports are peanuts purchased by private firms from CCC stocks at prices which approximate world market prices for peanuts used for crushing into oil.

Acreage Allotments and Marketing Quotas Have Been in Effect Each Year Since 1949

Efforts to control production and support prices of peanuts in the United States were initiated in 1935. Voluntary acreage control programs were in effect from 1935 through 1940. This system of control was not regarded as satisfactory so, in 1941, marketing quotas were put into effect. 3/ Penalties were provided for growers who did not comply. However, penalties were not applied in 1942 because of the need for greater output of oil at the beginning of the War period. In 1942 over 400 million pounds of "excess-acreage" peanuts were sold for oil. From 1943 through 1948, there were no allotments

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1/ The U. S. peanut belt is comprised of 3 production areas: Virginia-Carolina area (Virginia, North Carolina, Tennessee, and that part of South Carolina north and east of the Santee-Congaree Broad rivers); Southeast area (Georgia, Florida, Alabama, Mississippi, and the southern part of South Carolina); and Southwest area (Arkansas, Arizona, Louisiana, Oklahoma, Texas, California, and New Mexico). The 4 basic types of peanuts are (1) the Virginia, mostly grown in the Virginia-North Carolina area; (2) the Runner, mostly grown in the Southeast area; and (3) the Spanish, grown in all areas but mainly the Southeast and Southwest areas; and (4) the Valencia, grown in the Southwest with virtually all the production in New Mexico.

2/ The CCC price-support program is based on the prices of peanuts for edible uses.

3/ Peanuts were reestablished as a basic crop in 1941.

Table 13.--Peanuts: Allotments, acreage, yield, marketing quotas and production, farmers' stock basis, 1938-65

Crop year	Acreage: Allotment: Actual 1/	Acreage: Allotment: Legal minimum 2/	Acreage: Harvested for nuts: Total	Acreage: Harvested for nuts: Percentage of allotment	Yield per acre: Used in determining allotments	Yield per acre: Actual	Announced marketing quota	Production	Production less announced marketing quota	Excess acreage peanuts sold for oil 3/
	1,000 acres	1,000 acres	1,000 acres	Percent	Pounds	Pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average 1938-41	1,448	4/	1,888	5/131	4/	759	6/	1,436	---	7/
1942	1,610	1,610	3,355	8/208	4/	654	1,256	2,193	937	409
1943	9/	4/	3,528	---	---	617	---	2,176	---	---
1944	---	4/	3,068	---	---	678	---	2,081	---	---
1945	---	4/	3,160	---	---	646	---	2,042	---	---
1946	---	4/	3,141	---	---	649	---	2,038	---	---
1947	---	4/	3,377	---	---	646	---	2,182	---	---
1948	9/	4/	3,296	---	---	709	---	2,336	---	---
1949	10/2,629	1,610	2,308	88	651	808	10/1,700	1,865	165	---
1950	2,200	2,100	2,262	103	665	900	1,286	2,035	749	68
1951	1,889	1,610	1,982	105	734	837	1,300	1,659	359	194
1952	1,706	1,610	1,443	85	777	940	1,300	1,356	56	---
1953	1,679	1,610	1,515	90	790	1,039	1,326	1,574	248	---
1954	11/1,610	1,610	1,387	86	837	727	11/1,348	1,008	-340	---
1955	1,731	1,610	1,669	96	920	928	1,592	1,548	-44	---
1956	1,650	1,610	1,335	84	894	1,161	1,500	1,607	107	---
1957	1,611	1,610	1,481	92	901	969	1,451	1,436	-15	---
1958	1,612	1,610	1,516	94	1,026	1,197	1,652	1,814	162	---
1959	1,612	1,610	1,453	90	1,101	1,092	1,772	1,588	-184	---
1960	1,612	1,610	1,410	87	1,160	1,266	1,868	1,786	-82	---
1961	1,612	1,610	1,410	87	1,205	1,234	1,940	1,740	-200	---
1962	1,613	1,610	1,412	88	1,250	1,282	2,012	1,810	-202	---
1963	1,612	1,610	1,409	87	1,250	1,435	2,012	2,022	+10	---
1964	1,613	1,610	1,405	87	1,325	1,569	2,133	2,205	+72	---
1965 12/	1,613	1,610	---	---	1,475	---	2,375	---	---	---

1/ Includes additional acreage for types of peanuts in short supply and/or required by legislation passed subsequent to establishment of the allotment. 2/ The 1941 allotment was declared the legal minimum except in 1950 when it was set at 2.1 million. The 1950 allotment was increased to 2.2 million in order to conform with subsequent legislation. 3/ In 1941, 1942, 1950 and 1951, producers could harvest without penalty peanuts from acreage in excess of their allotments if these peanuts were sold for crushing. Allowance has been made for substitution between quota and excess acreage peanuts. 4/ Not applicable. 5/ No penalties were imposed on peanuts from acreage in excess of allotments. 6/ Defined as peanuts grown on allotted acres. 7/ 157 million pounds in 1941. 8/ The Department of Agriculture requested farmers to expand their acreage in order to provide peanuts for crushing. 9/ The 1943 quota and allotment were terminated because of the war and not reimposed until the 1948 crop. However, they were also terminated for the 1948 crop because of the need for oil. 10/ The law specified that the marketing quota for 1949 be equal to the 1943-47 average production adjusted for trend and prospective demand conditions. 11/ Except for the minimum acreage required by law, the 1954 allotment would have been 1,546 thousand acres, based upon a marketing quota of 1,294 million pounds. The marketing quota was raised in order to obtain the minimum acreage allotment. 12/ Preliminary except for allotment, legal minimum, yield used in determining allotment, and announced marketing quota.

Table 14.--Peanuts: Price per pound, quantity acquired under support program, farmers' stock basis, by areas, 1938-64

Crop year	Average price: Average support, United States	Average price: Received by farmers in-: **Virginia-Carolina area**	Average price: Received by farmers in-: **South-eastern area**	Average price: Received by farmers in-: **South-western area**	Average price: Received by farmers in-: United States	Average price: Paid to CCC for crushing	Acquired under support program 1/: **Virginia-Carolina area**	Acquired under support program 1/: **South-eastern area**	Acquired under support program 1/: **South-western area**	Acquired under support program 1/: Total: Quantity	Acquired under support program 1/: Total: Percentage of Production
	Cents	Cents	Cents	Cents	Cents	Cents	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Average 1938-41	2/	4.0	3.5	3.4	3.7	2.3	50	272	56	378	26
1942	2/	7.4	6.1	4.8	6.1	4.1	54	420	426	899	41
1943	2/	7.4	7.1	6.8	7.1	4.2	429	1,072	276	1,778	3/82
1944	2/	8.8	7.8	7.6	8.0	4.4	474	937	334	1,745	3/84
1945	2/	9.2	8.0	7.9	8.3	4.4	380	993	346	1,718	3/84
1946	9.8	10.3	8.8	8.6	9.1	9.7	4	17	34	55	3
1947	10.8	11.0	9.9	9.6	10.1	8.7	98	226	204	528	24
1948	10.4	10.9	10.5	10.3	10.5	5.4	214	740	213	1,167	50
1949	10.5	10.9	10.3	10.1	10.4	4.4	81	477	205	763	41
1950	10.8	12.7	10.4	10.3	10.9	7.5	96	554	184	835	41
1951	11.5	12.2	9.6	9.2	10.4	6.2	132	352	56	540	32
1952	12.0	11.3	10.4	11.4	10.9	7.2	37	69	0	106	8
1953	11.9	12.0	10.6	11.0	11.1	6.5	6	258	30	294	19
1954	12.2	13.5	11.1	11.7	12.2	0	0	0	0	0	0
1955	12.2	13.1	11.2	11.5	11.7	5.6	10	190	68	268	17
1956	11.4	11.9	10.7	11.2	11.2	5.5	89	245	0	334	21
1957	11.1	10.7	10.1	10.4	10.4	5.2	58	50	3/	108	8
1958	10.7	10.9	10.5	10.5	10.6	5.0	83	240	60	383	21
1959	9.7	10.6	9.0	9.6	9.6	5.3	14	194	38	246	15
1960	10.1	11.0	9.4	10.0	10.0	5.1	28	199	71	299	17
1961	11.0	11.6	10.7	10.9	10.9	5.0	31	138	62	231	13
1962	11.1	11.8	10.6	11.0	11.0	5.0	106	160	65	331	18
1963	11.2	11.3	11.2	11.2	11.2	5.9	44	303	31	378	19
1964 4/	11.2	11.8	11.0	10.8	11.2	5/6.7	100	325	100	525	24

1/ Includes purchases under the No. 2 purchase program. 2/ No base price established. 3/ CCC was designated as the sole purchaser of farmers' stock peanuts in these years. 4/ Preliminary. 5/ Estimated price received for all peanuts sold by CCC on a kernel basis.

because of increased needs for peanuts. Allotments and quotas were reimposed for the 1949 crop, and set at a level above food and farm uses because of the continuing need for peanuts to help alleviate the world food shortage (table 13).

Alloted acres were reduced each year from 1949 until 1954 when the legal minimum of 1,610,000 acres was reached. In 1955, alloted acreage was raised to 1,731,000 acres because the small 1954 crop increased the possibilities of a short supply in 1955-56. The 1956 national allotment was first set at the legal minimum but was subsequently raised by 40,000 acres for Virginia and Valencia types of peanuts because of a short supply for those types during the 1955 crop year. Since 1956, the annual acreage allotment has been held to the 1.6-million-acre minimum permitted by law except for small increases for peanuts in short supply (table 13).

Peanut acreage allotments are small, averaging about 15 acres per farmer. To be eligible for price support, a grower must not exceed the acreage allotment for his farm. If quotas are approved by growers in referendum and are in effect, the price of peanuts will be supported at some level between 75 and 90 percent of parity. If quotas are rejected, support will be at 50 percent of parity to cooperators. The latest referendum was held in December 1962, when a record 96.9 percent of the growers voting approved marketing quotas for the 1963, 1964, and 1965 crops. Historically, growers have always approved quotas.

Minimum Acreage Allotment Produces Surplus Peanuts; CCC Losses Are Small

Because of the sharp uptrend in yields per acre harvested for nuts, total U. S. production of farmers' stock peanuts from the national minimum allotment of 1.6 million acres has resulted in a supply of peanuts above edible requirements. 1/

In recent years, CCC has acquired 15-24 percent of the peanut crops in carrying out price support operations (table 14). The peanuts are sold for dollars in the domestic and world markets. CCC diverts these peanuts from the edible market into (1) crushings for oil and meal, (2) exports, and (3) in some recent years, peanut butter for school lunches and the needy. By far the largest diversion outlet for CCC peanuts over the years is crushings and the Corporation sells these nuts for about one-half the support price. For example, 1964-crop peanuts were supported at $224 per average grade net ton but CCC received about $120 per ton for peanuts diverted into oil channels. Exports of peanuts (shelled) bought from CCC by private firms have consisted primarily of dollar sales to Canada and Western Europe for edible uses. Historically, Western Europe has purchased peanuts for crushing. Prior to June 1963 large quantities of CCC-owned peanuts were processed into peanut butter for

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1/ Farmers stock peanuts means picked and threshed peanuts which have not been shelled, crushed, cleaned or otherwise changed (except for removal of foreign material, loose shelled kernels, and excess moisture) from the form in which customarily marketed by producers.

Table 15.--Peanuts: United States average support level and support rates by type, farmers' stock basis, 1951-65

Year beginning Aug. 1	U. S. average support level: Effective parity Aug. 1	U. S. average support level: Supported at: Percent of Aug. parity	U. S. average support level: Supported at: Amount	Announced final support rate of average grade ton: Virginia	Runner	Southeast Spanish	Southwest Spanish	Valencia
	Dollars	Percent	Dollars	Dollars per ton	Dollars per ton	Dollars per ton	Dollars per ton	Dollars per ton
1951	262	88	230.56	244.00	218.51	238.11	266.47	1/
1952	266	90	239.40	252.71	227.90	245.38	233.52	1/
1953	264	90	237.60	250.77	225.90	243.38	231.52	1/
1954	272	90	244.80	257.99	233.29	250.66	238.56	1/
1955	272	90	244.80	257.99	233.29	250.66	238.56	1/
1956	264	86	227.04	242.98	212.56	230.30	223.43	231.83
1957	272	81.4	221.40	236.80	206.70	224.38	218.33	226.95
1958	264	80.8	213.20	224.97	200.50	217.69	209.69	220.17
1959	258	75	193.50	205.30	180.64	197.90	189.83	200.94
1960	256	78.6	201.24	213.93	188.08	204.36	197.61	210.95
1961	258	85.6	221.00	233.69	207.84	224.12	217.37	233.82
1962	270	82	221.40	234.19	208.71	226.35	217.13	234.19
1963	280	80	224.00	236.86	211.24	228.98	219.70	236.86
1964	282	79.4	224.00	236.86	211.24	228.98	219.70	236.86
1965	2/286	78.3	224.00	236.86	211.24	228.98	219.70	236.86

1/ Basis of support price determination over 1951-55 period not comparable with that of 1956-64. During the 1951-55 period support was on the basis of a "base grade ton." 2/ April 1965 parity.

Table 16.--Peanuts: Price support operations, crop years, 1935-64

Crop year	Support level 1/: Percentage of parity on Aug. 1	Support level 1/: Per pound	Average price per pound received by farmers	Quantity pledged for price support loans	Under price support programs 2/: Loan Acquisitions plus direct purchases 3/	Disposition 4/: Edible and seed	Disposition 4/: Crushing	Disposition 4/: Export	Disposition 4/: Sec. 32	Losses: Total	Losses: Per pound acquired
	Percent	Cents	Cents	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million dollars	Cents
1935			3.12		73	---	73	---	---	0.3	0.4
1936			3.72		---	---	---	---	---	---	---
1937			3.28	173	166	5	161	---	---	2.3	1.4
1938			3.26	243	253	1	252	---	---	3.3	1.3
1939			3.39	26	69	14	54	---	---	.7	1.0
1940			3.32	60	558	223	327	---	---	7.9	1.4
1941	68	4.35	4.67	---	378	215	157	---	---	0	0
1942	5/90	5/6.6	6.09	---	899	474	409	---	---	0	0
1943	90	7.1	7.12	---	---	---	---	---	---	---	---
1944	90	7.3	8.04	251	---	---	---	---	---	---	---
1945	90	7.5	8.27	309	---	---	---	---	---	---	---
1946	90	8.6	9.10	400	55	18	36	---	---	6/- .6	6/-1.1
1947	90	10.0	10.1	383	528	7/	250	275	---	3.5	.7
1948	90	10.8	10.5	483	1,167	19	477	655	---	25.6	2.2
1949	90	10.5	10.4	345	763	34	685	145	---	39.7	5.2
1950	90	10.8	10.9	552	835	132	582	61	---	17.1	2.0
1951	88	11.5	10.4	253	540	106	390	6	---	9.4	1.8
1952	90	12.0	10.9	107	106	16	55	0	---	4.8	4.7
1953	90	11.9	11.1	457	294	10	189	238	---	14.0	4.8
1954	90	12.2	12.2	14	0	2	19	8	---	---	---
1955	90	12.2	11.7	300	268	---	186	1	---	17.1	6.4
1956	86	11.4	11.2	366	334	---	170	99	---	20.2	6.0
1957	81.4	11.1	10.4	243	108	8	81	45	8	6.1	5.6
1958	80.8	10.7	10.6	264	383	---	233	59	9	21.2	5.5
1959	75	9.7	9.6	317	246	18	178	65	10	11.4	4.6
1960	78.6	10.1	10.0	277	299	---	244	86	66	14.5	4.8
1961	85.6	11.0	10.9	199	231	---	122	33	63	13.0	5.6
1962	82.0	11.1	11.0	276	331	---	181	46	63	9/18.7	5.6
1963	80.0	11.2	11.2	340	378	---	282	104	10/68	9/28.0	7.4
1964	79.4	11.2	8/11.2	8/403	---	---	---	---	---	---	---
1965	*78.3	8/11.2									

1/ From 1937 through 1940, CCC made nonrecourse loans to peanut cooperatives to finance purchase, storage, and diversion or sale of farmers stock peanuts by these cooperatives in order to facilitate a surplus removal program of the Department.
2/ Farmers stock basis government purchase programs for peanuts in 1943 to 1945 were for purposes other than price support and are not included. 3/ Acquisitions and purchases from the crop. 4/ Dispositions made within the crop year. Does not include stocks carried into the next year. 5/ Support level originally announced at 85 percent of parity, or 6.2 cents per pound, but revised October 3, 1942, before substantial movement of eligible peanuts took place. 6/ Net gain. 7/ Less than 500,000 pounds. 8/ Preliminary. 9/ Program activities not completed. 10/ Beginning with 1963 direct purchases of peanut butter for donations to needy persons and school lunch program. *April 1965 parity. Source: ASCS.

distribution to school lunch and needy persons and CCC received about 10 cents per pound for these shelled peanuts. Since 1963, purchases of peanut butter for these programs have been made directly from manufacturers.

As may be seen in table 16 (which summarizes annual peanut price support operations 1935 through 1964), CCC losses have varied widely from $40 million in 1949 to zero in 1954. Since 1955, CCC annual losses have averaged around $17 million or about 9 percent of the farm value of U. S. peanut production. On a per pound basis, CCC losses have averaged about 6 cents for all peanuts acquired under the price support program.

The Agricultural Act of 1949, as amended, provides for peanut price support at a level between 75 and 90 percent of parity depending upon the percentage which the total supply of peanuts is of the normal supply at the beginning of the marketing year (August 1). Since 1949, the U. S. average level of support has varied from a low of $193.50 per ton (75 percent of parity) in 1959 to a high of $244.80 per ton (90 percent of parity) in 1954 and 1955. The 1964 rate was $224 per ton (79 percent of August 1964 parity) and the 1965 minimum announced April 16, 1965, is also set at $224 per ton (table 15). Price supports for peanuts are carried out through loans and purchases.

Proportion of Peanut Acreage Harvested for Nuts Increases as Hay and Hogging off Uses Decline

U. S. peanut acreage planted for all purposes dropped sharply from 4.1 million acres in 1947 to 1.5 million in 1960 and has since held steady as acreage allotments were maintained at the legal minimum. Acreage harvested for nuts declined from 3.4 million in 1947 to 1.4 million in 1960 and has remained on that plateau through 1964. Peanut acreage harvested for hay and other purposes (primarily hogging off) has shown a steady downtrend in the postwar era, reaching the lowest level of record in 1964 (table 17). During 1947-49, the proportion of peanut acreage harvested for nuts to total acreage planted was 84 percent. This proportion increased as acreage for hay and hogging off declined. Since 1960, about 92 percent of the U. S. acreage has been harvested for nuts.

Southeast Area Accounts for One-half of Peanut Acreage and Production; Yields Increasing in All Areas

While harvested acreage has changed little in recent years, peanut output on a farmers' stock basis has increased from 1,588 million pounds in 1959 to 2,205 million pounds in 1964 because of the sharp uptrend in yields. The U. S. average yield per acre harvested for nuts has more than doubled in the postwar years, increasing from 646 pounds in 1947 to the 1964 record of 1,569 pounds. The sharp uptrend in yields reflects increased use of fertilizer, herbicides, shifts to higher-yielding varieties, and growth of more plants per acre by closer plantings and closer rows. Year-to-year fluctuations in yields and in production are largely due to weather conditions, such as droughts during the growing period, hurricanes or sustained rains during harvesting and curing, and untimely frosts. Peanut yields per acre are highest in the Virginia-Carolina area and lowest in the Southwest (see fig. 1 page 27). In recent years, roughly 50 percent of total U. S. peanut production has been in the Southeast, 30 percent in the Virginia-Carolina area, and 20 percent in the Southwest area (table 19).

Table 17.--Peanuts: Acreage, yield and production, U. S., 1947-65

Year	Acres planted			Acres harvested		Other purposes 2/	Yield per acre harvested		Production	
	Grown alone	Inter-planted	Equivalent solid 1/	For nuts	For hay		For nuts	For hay	For nuts	For hay
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Pounds	Tons	1,000 pounds	1,000 tons
1947	4,094	376	4,282	3,377	3,091	905	646	.45	2,182	1,401
1948	3,824	293	3,971	3,296	2,931	675	709	.49	2,336	1,440
1949	2,762	265	2,894	2,308	1,895	586	808	.54	1,865	1,015
1950	2,633	195	2,731	2,262	1,876	469	900	.52	2,035	967
1951	2,510	190	2,606	1,982	1,789	624	837	.57	1,659	1,018
1952	1,838	143	1,909	1,443	1,362	466	940	.58	1,356	794
1953	1,796	100	1,846	1,515	1 249	331	1,039	.63	1,574	787
1954	1,824	114	1,881	1,387	1,254	494	727	.61	1,008	761
1955	1,882	62	1,913	1,669	1,251	244	928	.60	1,548	756
1956	1,834	59	1,862	1,385	961	478	1,161	.63	1,607	607
1957	1,746	62	1,777	1,481	649	296	969	.64	1,436	413
1958	1,702	48	1,726	1,516	641	210	1,197	.71	1,814	457
1959	1,598	44	1,620	1,453	443	167	1,092	.64	1,588	284
1960	1,542	40	1,562	1,410	481	152	1,266	.69	1,786	332
1961	1,539	28	1,554	1,410	459	144	1,234	.68	1,740	314
1962	1,531	28	1,545	1,412	451	133	1,282	.67	1,810	301
1963	1,529	26	1,542	1,409	621	133	1,435	.67	2,022	418
1964 3/	1,521	4/	4/	1,405	472	116	1,569	.68	2,205	320
1965 5/	1,514									

1/ Acreage grown alone, plus one-half the interplanted acres. 2/ Primarily hogging off. 3/ Preliminary. 4/ Data no longer available. 5/ March 1 planting intentions.

Table 18.--Peanuts: Supply and disposition (farmers' stock basis) 1947-64

Year beginning August	Supply						Disposition							Production of			
	Production for nuts							Used for seed			Domestic food use			Oil		Meal	
	Farmers stock basis	Conversion factors 1/	Kernel basis	Imports	Stocks, Aug. 1 2/	Total supply	Exports and shipments	Total 3/	Per acre planted	Feed farm loss & shrinkage	Total	Per capita	Crushed for oil	Total	Yield per 100 pounds crushed	Total	Yield per 100 pounds crushed
	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.	Mil. lb.	Mil. lb.	Lb.	Mil. lb.	Mil. lb.	Lb.	Mil. lb.	Lb.
1947	2,182	69.92	1,526	4/	248	2,430	482	222	54	79	935	6.5	477	139	29.1	243	50.9
1948	2,336	69.91	1,633	4/	235	2,571	725	166	58	44	961	6.6	473	141	29.8	225	47.6
1949	1,865	71.06	1,325	4/	202	2,067	172	152	60	67	863	5.8	610	184	30.2	278	45.6
1950	2,035	70.37	1,432	0	203	2,238	69	145	58	67	981	6.5	629	186	29.6	295	46.9
1951	1,659	69.76	1,157	0	347	2,006	8	109	58	30	1,015	6.7	432	130	30.1	200	46.3
1952	1,356	68.27	926	0	412	1,768	3	104	59	38	1,008	6.5	195	55	28.2	87	44.6
1953	1,574	68.91	1,085	4/	420	1,994	239	106	58	46	1,017	6.4	303	83	27.4	127	41.9
1954	1,008	67.12	677	180	283	1,471	9	120	58	12	1,019	6.3	107	26	24.3	47	43.9
1955	1,548	70.90	1,098	5	204	1,757	6	106	64	66	955	5.8	257	75	29.2	109	42.4
1956	1,607	71.62	1,151	5	367	1,979	102	103	58	58	1,029	6.2	260	76	29.2	114	43.8
1957	1,436	70.56	1,013	2	427	1,865	48	104	59	53	1,084	6.4	239	67	28.0	102	42.7
1958	1,814	70.78	1,284	2	337	2,153	62	106	61	58	1,096	6.3	335	97	29.0	142	42.4
1959	1,588	72.10	1,145	1	496	2,085	72	107	66	65	1,154	6.6	292	86	29.5	126	43.2
1960	1,786	71.32	1,274	4/	395	2,181	81	104	69	50	1,244	6.9	362	104	28.7	153	42.3
1961	1,740	71.16	1,238	3	340	2,083	34	117	68	53	1,265	6.9	256	70	27.3	111	43.4
1962	1,810	71.06	1,286	2	358	2,170	43	122	76	44	1,293	7.0	302	86	28.5	131	43.4
1963	2,022	70.60	1,428	2	366	2,390	97	128	80	56	1,349	7.2	380	111	29.2	155	40.8
1964	2,205	70.60	1,558	2	380	2,587	155	135	85	67	1,385	7.3	475	140	29.5	190	39.8
1965 5/					6/370												

1/ Percentage yield of kernels (both edible and oil stock) from shelling of farmers' stock peanuts. 2/ Includes oil stock peanuts. 3/ In the following year. 4/ Less than 500,000 pounds. 5/ Preliminary. 6/ Forecast.

The Southeast area produces mainly the Runner and Spanish types of peanut. Peanut acreage harvested for nuts in this area has been stable during the past 5 years, averaging 735,000 acres annually and comprising 52 percent of the U. S. total of 1,410,000 acres (table 19). Georgia accounts for about 65 percent of the Southeast total and Alabama 27 percent. Yields per acre harvested for nuts have generally trended upward from 671 pounds in 1947 to a record 1,589 pounds in 1964. As may be seen in figure 1, yields per acre in the Southeast closely parallel the U. S. average. Peanut output in the Southeast has accounted for 50 percent of U. S. production during the postwar period.

The Virginia-Carolina area produces chiefly the large-seeded Virginia-type peanut. Acreage harvested for nuts has also been stable during the past 5 years, averaging about 280,000 or 20 percent of the U. S. total. North Carolina accounts for 63 percent of the area total and Virginia the remaining 37 percent. Yields per acre have nearly doubled in the postwar era, increasing from 1,094 pounds in 1947 to 2,048 in 1964. Because peanut yields in the Virginia-Carolina area are well above the other 2 areas, this area has accounted for 30 percent of total U. S. output in the postwar era.

The Southwest area produces chiefly the small-seeded Spanish-type peanut. Valencia-type produced in New Mexico is of minor importance and separate statistics are not available. Since 1960, peanut acreage harvested for nuts in this area has been steady at 400,000 annually, accounting for 28 percent of the U. S. total. Texas accounts for 69 percent of the Southwest total and Oklahoma

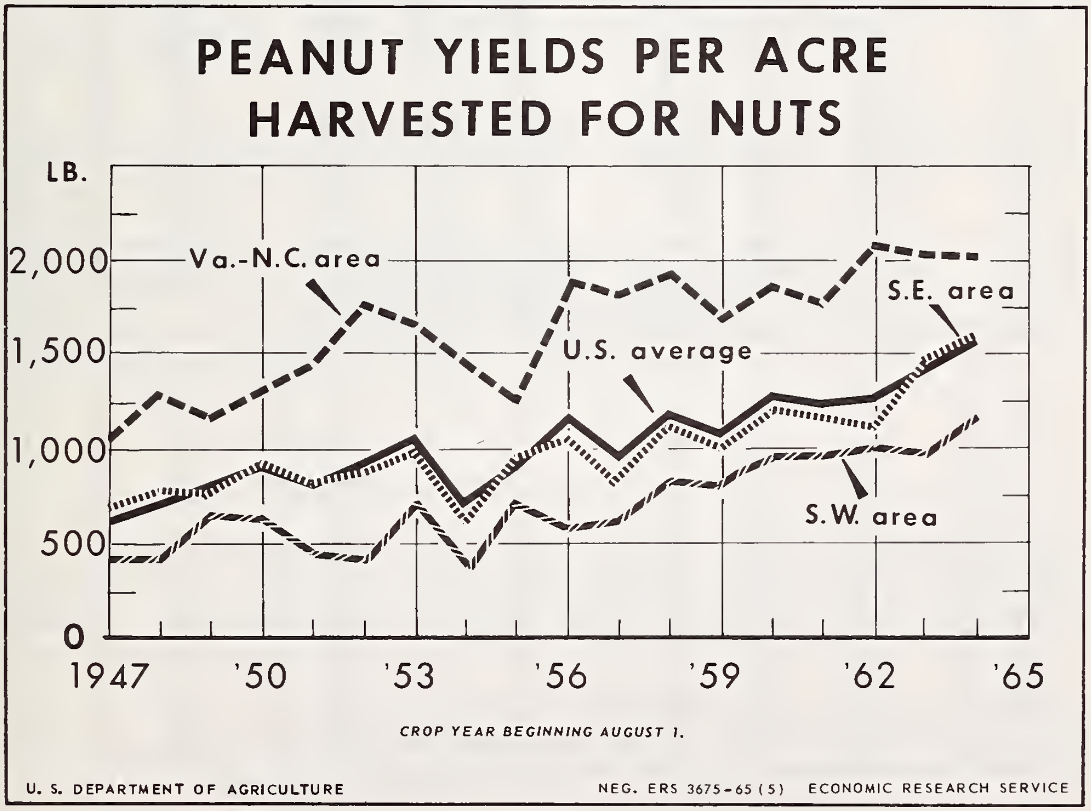


FIGURE 1

Table 19.--Peanuts: U. S. acreage, yield, and production, selected States and areas, 1947-64

Year	United States		Virginia-North Carolina area				Southeast area				Southwest area			
			Virginia	North Carolina	Area total		Alabama	Georgia	Area total		Oklahoma	Texas	Area total	
	Acreage harvested for nuts													
	1,000 acres	Pct.	1,000 acres	1,000 acres	1,000 acres	Pct.	1,000 acres	1,000 acres	1,000 acres	Pct.	1,000 acres	1,000 acres	1,000 acres	Pct.
1947	3,377	100	162	292	459	14	463	1,124	1,731	51	325	836	1,187	35
1948	3,296	100	164	295	464	14	436	1,169	1,754	53	306	752	1,078	33
1949	2,308	100	138	230	373	16	353	783	1,234	54	170	513	701	30
1950	2,262	100	148	227	379	17	335	728	1,164	51	212	490	719	32
1951	1,982	100	146	232	381	19	298	641	1,026	52	220	338	575	29
1952	1,443	100	118	191	311	22	209	492	771	53	112	237	361	25
1953	1,515	100	110	179	291	19	215	522	808	53	119	287	416	28
1954	1,387	100	106	176	284	20	201	440	712	52	100	281	391	28
1955	1,669	100	116	188	307	18	223	528	828	50	134	389	534	32
1956	1,385	100	118	198	319	23	214	522	810	58	70	175	256	19
1957	1,481	100	106	180	289	20	205	510	786	53	109	287	406	27
1958	1,516	100	105	178	286	19	209	510	790	52	122	307	440	29
1959	1,453	100	104	178	284	20	201	490	756	52	115	289	413	28
1960	1,410	100	104	176	280	20	191	475	729	52	110	285	401	28
1961	1,410	100	104	176	280	20	193	475	731	52	115	277	399	28
1962	1,412	100	104	176	280	20	195	472	731	52	115	278	401	28
1963	1,409	100	104	176	280	20	195	478	737	52	117	268	392	28
1964	1,405	100	101	173	274	20	196	480	740	52	123	261	392	28
	Yield per acre harvested for nuts													
	Lb.		Lb.	Lb.	Lb.		Lb.	Lb.	Lb.		Lb.	Lb.	Lb.	
1947	646		1,220	1,030	1,094		630	695	671		450	425	437	
1948	709		1,435	1,175	1,263		815	700	731		500	400	434	
1949	808		1,400	1,055	1,179		820	780	785		680	640	651	
1950	900		1,540	1,110	1,275		970	935	933		590	675	648	
1951	837		1,630	1,390	1,477		690	900	832		520	350	422	
1952	940		2,040	1,605	1,765		1,000	800	859		425	375	400	
1953	1,039		1,990	1,510	1,685		930	990	968		960	625	724	
1954	727		1,625	1,425	1,495		550	605	602		410	380	397	
1955	928		1,560	1,070	1,254		940	955	951		960	615	705	
1956	1,161		2,080	1,775	1,879		1,010	1,090	1,062		725	500	578	
1957	969		2,060	1,700	1,823		660	910	839		800	525	613	
1958	1,197		2,100	1,860	1,938		1,060	1,160	1,123		1,090	730	847	
1959	1,092		1,910	1,580	1,696		800	1,100	1,000		1,125	720	848	
1960	1,266		1,890	1,810	1,840		1,140	1,250	1,212		1,425	770	965	
1961	1,234		1,850	1,760	1,793		1,075	1,210	1,170		1,275	800	959	
1962	1,282		2,250	2,000	2,093		1,160	1,005	1,126		1,415	800	1,001	
1963	1,435		2,030	2,060	2,049		1,215	1,560	1,445		1,450	730	978	
1964	1,569		2,080	2,030	2,048		1,325	1,710	1,589		1,500	1,025	1,196	
	Production from harvested acres for nuts													
	1,000 lb.	Pct.	1,000 lb.	1,000 lb.	1,000 lb.	Pct.	1,000 lb.	1,000 lb.	1,000 lb.	Pct.	1,000 lb.	1,000 lb.	1,000 lb.	Pct.
1947	2,182	100	198	301	302	14	292	781	1,161	53	146	355	519	23
1948	2,336	100	235	347	586	25	355	818	1,282	55	153	301	468	20
1949	1,865	100	193	243	440	24	289	611	968	52	116	328	456	24
1950	2,035	100	228	252	483	24	325	681	1,086	53	125	331	466	23
1951	1,659	100	238	322	563	34	206	577	853	51	114	118	243	15
1952	1,356	100	241	307	549	40	209	394	662	49	48	89	145	11
1953	1,574	100	219	270	490	31	200	517	782	50	114	179	301	19
1954	1,008	100	172	251	424	42	111	266	429	43	41	107	155	15
1955	1,548	100	190	201	385	25	210	504	787	51	129	239	376	24
1956	1,607	100	245	351	599	37	216	569	860	54	51	88	148	9
1957	1,436	100	218	306	527	37	464	135	660	46	87	151	249	17
1958	1,814	100	221	331	554	31	222	592	888	49	133	224	373	20
1959	1,588	100	199	281	482	30	161	539	756	48	129	208	350	22
1960	1,786	100	197	319	515	29	218	594	883	49	157	219	387	22
1961	1,740	100	192	310	502	29	207	575	855	49	147	222	383	22
1962	1,810	100	234	352	586	32	196	548	823	46	163	222	401	22
1963	2,022	100	211	363	574	28	237	746	1,065	53	170	196	384	19
1964	2,205	100	210	351	561	26	260	821	1,175	53	184	268	468	21

29 percent. Yields per acre harvested have nearly tripled, rising from 437 pounds in 1947 to the record 1,196 pounds in 1964. Because yields are below the other areas of the peanut belt, the Southwest area has accounted for only 20 percent of the U. S. production during 1947-64.

Kernel Yields in Shelling Is Important Economic Factor

Few farmers store peanuts on the farm for any extended period. As soon as the peanuts are cured and picked, most farmers deliver their crops directly to shellers, warehousemen, or buying brokers. Customarily, settlement with farmers is based on grades determined by the Federal-State Inspection Service from samples drawn from the loads as they are received at the plant or warehouse. On loads that meet specified minimum-quality requirements, but are not purchased by a sheller or broker, the CCC offers non-recourse loans as the means of supporting prices to growers.

Farmers' stock peanuts are graded to determine the following factors:

1. Proportion of good quality kernels, commonly referred to as "sound mature kernels." This classification excludes undeveloped kernels that pass through a specified screen opening.

2. Proportion of "sound-split kernels."

3. Proportion of "other kernels" which are better quality kernels but are not large enough to ride a specified screen size and hence be graded as sound mature kernels.

4. Proportion of defective kernels, commonly called "damaged kernels." Defective kernels include those riding the screen that are discolored, diseased, decayed, and insect-damaged.

5. Proportion of loose shelled kernels which are kernels that are separated from the shells and are mixed in with in-shell peanuts.

6. Amount of foreign material, or all substances other than peanuts in the shells or peanut kernels.

7. Moisture content.

8. Proportion of hulls or shells.

9. Applies solely to Virginia-type peanuts: (a) Proportion of peanuts with large shells suitable for making "hand picks" which are sold for roasting in the shell. (b) Proportion of "extra large", sound kernels included in the sound, mature kernels.

Table 20 shows the average quality factors of farmers' stock peanuts graded by the Federal-State Inspection Service, by type of peanut, for crop years 1949-64. These data indicate that the average kernel yield (total

Table 20--Peanuts: Average quality factors, crops 1949-64 1/

Virginia

Type and crop year	Sound kernels: Split 2/	Sound kernels: Mature	Sound kernels: Total	Damaged kernels	Other kernels	Total sound, damaged & other kernels 3/	Loose shelled kernels	Foreign material	Moisture	Fancy size	Extra large kernels
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1949			65.60	1.03	4.35	70.98	---	2.76	8.44	---	19.51
1950			67.28	1.16	2.90	71.34	---	2.67	8.52	---	24.25
1951			67.11	1.13	2.64	70.88	---	2.79	8.78	57.57	27.65
1952			66.54	1.04	2.84	70.42	---	2.81	8.30	70.05	26.61
1953			65.37	1.53	2.71	69.61	---	3.51	9.10	58.92	30.41
1954			66.19	1.11	2.65	69.95	1.30	3.14	8.84	63.10	31.34
1955			66.48	.50	4.56	71.54	1.40	3.07	8.40	56.38	24.35
1956			66.31	2.13	3.04	71.48	1.22	2.11	8.70	63.36	31.16
1957			65.64	3.71	2.44	71.79	2.03	2.33	9.37	64.01	33.58
1958			66.56	1.53	3.39	71.48	1.67	2.80	8.70	60.04	30.96
1959			69.01	1.54	2.69	73.24	1.88	2.59	9.14	58.71	29.05
1960 5/			70.34	.78	2.96	74.08	2.37	2.89	8.60	52.05	28.04
1961 5/	1.41	66.45	67.86	1.37	2.81	72.04	2.40	3.77	8.68	68.29	32.47
1962 5/	1.67	69.65	71.32	1.35	2.07	74.74	2.89	3.14	9.03	61.60	33.67
1963 5/	1.53	65.13	66.66	1.34	3.48	71.48	3.96	4.22	9.04	61.79	30.53
1964 5/	2.37	68.84	71.21	.77	2.59	74.57	6.19	4.44	8.62	56.76	25.64

Runner

Type and crop Year	Sound kernels: Split 2/	Sound kernels: Mature	Sound kernels: Total	Damaged kernels	Other kernels	Total sound, damaged & other kernels 3/	Loose shelled kernels	Foreign material	Moisture
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1949			69.78	1.12	3.50	74.40	---	4.18	7.98
1950			68.04	1.02	4.40	73.46	---	3.77	7.35
1951			63.49	3.76	5.44	72.69	---	4.36	7.51
1952			65.53	.91	5.56	72.00	---	4.37	6.61
1953			64.34	2.48	5.18	72.00	---	4.16	7.10
1954			62.95	2.03	5.49	70.47	2.28	5.68	7.22
1955			68.87	1.06	4.41	74.34	2.32	3.63	7.51
1956 4/			65.42	1.41	7.04	73.87	2.66	4.12	7.00
1957			60.69	3.86	9.14	73.69	2.55	4.59	8.53
1958			64.74	.92	8.44	74.10	2.24	4.14	7.60
1959			64.72	1.90	8.13	74.75	3.08	4.08	7.93
1960 5/			65.18	.95	8.10	74.23	3.00	4.02	8.40
1961 5/	2.01	63.27	65.28	.63	8.54	74.45	3.91	3.89	8.21
1962 5/	2.11	62.38	64.49	.94	7.36	72.79	3.31	3.91	8.57
1963 5/	2.57	63.25	65.82	.40	8.08	74.30	2.22	3.67	7.87
1964 5/	2.55	62.61	65.16	.33	9.50	74.99	3.15	3.54	8.11
					Southeast Spanish				
1949			73.29	1.51	4.52	79.32	---	3.89	8.06
1950			72.22	2.16	3.08	77.46	---	4.18	7.18
1951			68.28	3.44	4.32	76.04	---	4.55	7.03
1952			65.92	2.28	5.43	73.63	---	5.31	6.66
1953			71.41	2.50	3.45	77.36	---	4.27	7.16
1954			67.16	2.09	4.46	73.71	4.33	5.88	7.40
1955			72.92	1.77	3.55	78.24	5.24	4.56	8.02
1956 6/			69.21	1.25	7.41	77.87	4.92	5.16	6.93
1957			65.93	2.69	8.34	76.96	4.71	4.72	7.74
1958			70.58	.89	6.34	77.81	4.72	4.44	7.75
1959			68.64	2.09	5.97	76.70	4.87	4.06	7.83
1960 5/			70.19	1.59	5.26	77.04	5.34	4.27	8.52
1961 5/	2.19	69.32	71.51	1.33	4.98	77.82	6.24	3.86	8.95
1962 5/	2.97	66.74	69.71	1.46	4.69	75.86	5.19	3.95	8.57
1963 5/	3.43	68.52	71.95	.69	4.87	77.51	3.73	3.67	8.26
1964 5/	3.52	67.13	70.65	.61	5.52	76.78	4.26	3.53	8.39

Continued-

Table 20.--Peanuts: Average quality factors, crops 1949-64 1/ (Continued)

Type and crop year	Sound kernels			Damaged kernels	Other kernels	Total sound, damaged & other kernels 3/	Loose shelled kernels	Foreign material	Moisture
	Split 2/	Mature	Total						
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
	Southwest Spanish								
1949			71.22	1.34	4.26	76.82	---	5.72	8.03
1950			69.70	1.25	5.76	76.71	---	7.47	8.08
1951			66.19	2.02	4.90	73.11	---	8.18	8.25
1952			68.77	.80	4.57	74.14	---	6.70	7.83
1953			70.70	1.19	3.73	75.62	---	6.37	7.44
1954			61.77	1.24	7.54	70.55	2.21	8.07	9.52
1955			70.10	.99	4.53	75.62	2.74	7.00	7.21
1956 6/			61.38	.66	10.81	72.85	1.65	9.20	7/
1957			62.68	2.64	8.71	74.03	3.39	7.29	9.89
1958			63.78	.96	10.65	75.39	2.94	6.25	8.66
1959			65.39	1.28	9.77	76.44	2.96	6.18	8.90
1960 5/			67.70	1.01	7.29	76.00	2.51	5.50	8.90
1961 5/	2.24	64.93	67.17	.89	7.62	75.68	2.11	5.87	9.29
1962 5/	3.14	62.86	66.00	.66	7.97	74.63	1.97	5.23	9.36
1963 5/	3.77	64.39	68.16	.47	5.50	74.13	1.69	4.82	9.04
1964 5/	5.03	62.31	67.34	.83	6.17	74.34	2.03	4.83	8.43
	Valencia								
1949			70.09	0.94	2.78	73.81	---	6.66	6.58
1950			66.44	1.34	3.41	71.19	---	9.07	6.14
1951			64.64	1.77	2.89	69.30	---	7.06	8.37
1952			65.03	1.63	3.63	70.29	---	10.08	6.49
1953			67.24	.95	2.82	71.01	---	8.34	6.87
1954			68.26	1.30	2.29	71.85	3.38	9.51	7.48
1955			68.86	.71	2.60	72.17	5.42	10.98	5.98
1956			69.55	.70	2.65	72.90	4.84	11.47	7.35
1957			68.79	2.11	3.19	74.09	8.50	9.72	9.69
1958			68.43	2.20	2.39	73.02	8.28	10.36	8.33
1959			69.08	1.56	3.24	73.88	6.94	11.07	6.93
1960 5/			69.18	1.79	2.89	73.86	5.53	10.03	10.00
1961 5/	1.88	67.90	69.78	1.19	4.16	75.13	6.88	10.46	8.71
1962 5/	1.42	69.69	71.11	1.35	2.41	74.87	6.87	8.62	9.05
1963 5/	1.90	66.89	68.79	.45	3.42	72.66	4.53	8.80	8.77
1964 5/	2.65	63.97	66.62	.56	4.61	71.79	4.71	11.31	8.27

1/ Quality factors for 1949-57 derived from sample data; factors for years 1958-64 derived from total of all certificates received and tabulated. 1961 through 1964 data do not include inspections of oilstock peanuts. 2/ The mechanical sheller was used for the first time in 1961 in grading farmers stock peanuts. Sound split kernels were tabulated for the first time in 1961. 3/ In 1956 loose shelled kernels were included in "net weight" on inspection certificates but in order to make the data comparable to other years have been excluded here. 4/ In 1956 the screen size for Runners changed from 15/64 x 3/4 inch used in previous years to 16/64 x 3/4 inch. 5/ Data obtained from Peanut Inspection Summary prepared by the Kansas City Data Processing Center. 6/ In 1956 the screen size for Spanish changed from 14/64 x 3/4 inch used in previous years to 15/64 x 3/4 inch. 7/ Data from Southwest area not available.

Note: The peanut grading method is as follows:

1. "Foreign Material", "Loose Shelled Kernels" and "Excess Moisture" are expressed as a percentage of gross weight. 2. "Sound Mature Kernels", "Sound Splits", "Damaged Kernels", "Other Kernels" and "Hulls" are expressed as a percentage of their total which excludes "Loose Shelled Kernels" as well as "Foreign Material" and "Excess Moisture." 3. Screen sizes: Spanish and Valencia, 15/64 x 3/4 inch; Runner, 16/64 x 3/4 inch; Virginia, 15/64 x 1 inch; Extra Large Kernels 21.5/64 x 1 inch. 4. To qualify for Virginia type price support, Virginia peanuts must contain 30 percent or more "Fancy" size (peanuts riding a 34/64 x 3 inch slotted screen). Virginia type peanuts containing less than 30 percent "Fancy" size are considered to be Runner type for price support purposes.

The table summarizes all inspections made of each crop years peanuts as reported by the Federal-State Inspection Service.

kernel content excluding loose shelled kernels) is about 77 percent for Southeast Spanish, 75 percent for Southwest Spanish, 74 percent for Runner, and 72 percent for the Virginia types. This implies that hulls and milling loss vary between 23 and 28 percent.

The different grades of peanuts produced in the milling operation are (1) shelled edible, (2) roasting stock, and (3) shelled oil stock.

The yield of kernels in the shelling operation is an important economic factor, and obtaining maximum yield of the classes of peanuts for which the prices are greatest may well determine a sheller's profit or loss. Factors which greatly influence yield are the grade of peanuts being milled (cleaned or shelled), variety of peanuts, the technical know-how of the plant operator, and the efficiency of shelling equipment. Ratio of kernels to hulls is the determining factors with little difference in milling loss attributable to variety.

Quality Control Program Initiated for 1964-Crop Peanuts; Industry-Administered Federal Marketing Agreement Proposed for 1965

The USDA initiated an industry-wide program for 1964 crop peanuts in cooperation with producers, shellers, and processors to assure that only high quality peanuts are marketed for food, and that those not meeting these standards are channeled into nonfood uses. The program was designed to protect consumers by keeping damaged peanuts which may contain mold-produced aflatoxin from being sold for food. Studies by USDA, the Department of Health, Education and Welfare, and the peanut industry have shown a close relationship between damaged peanuts and the presence of aflatoxin. While there are no studies to indicate a danger to public health, both industry and Government wanted to insure that the damaged portion of any commodity would not be used for food or feed.

A 4-phase program for peanuts was developed as a result. It provided:

1. Changes in the price support program for 1964-crop peanuts that were carried out in cooperation with the industry which provided only high-quality peanuts for food products and diverted damaged peanuts to other uses for which they were suitable.

2. Educational assistance to the peanut industry to help improve the quality of peanuts through improved methods of growing, harvesting, drying, storing, shelling, and processing.

3. A broad research program seeking better ways to eliminate damage to peanuts and particularly damage due to molds.

4. Inspection by Federal-State inspectors of all lots of shelled peanuts before shipment for edible use.

A public hearing was held April 7, 1965, to consider a proposed marketing agreement for regulating further the quality of 1965 peanuts. The proposal was recommended by representatives of producer and sheller organizations in each of the major production areas. There was no opposition presented to the proposal at the hearing.

The program would provide for limiting the quality of peanuts milled or shipped for edible purposes. Included are provisions for inspection and identification, as well as for indemnities to handlers for losses arising from rejected lots. The program would be administered by an 18-member committee composed of 3 producers and 3 handlers from each of the 3 production areas. The marketing agreement has been submitted for sign-up by handlers of peanuts and will supplement the acreage allotment and price support programs now administered by USDA.

Edible Uses of Peanuts Continue to Rise Slowly; Peanut Butter Accounts for One-half of Consumption

More than two-thirds of the total disappearance of peanuts is used for edible products, chiefly peanut butter, candy, salting, and roasting in shell. The remaining one-third is crushed for oil and meal, exported, used for seed, feed, or farm loss (see table 18, page 26).

In recent years, the consumption of peanuts (farmers' stock basis) has been rising slowly, from 955 million pounds in 1955 to an estimated 1,385 million in 1964. On a per capita basis, the increase has been from 5.8 pounds to 7.3 pounds (table 21). Of the 7 pounds per capita, about 6 are consumed in the form of peanut butter, salted peanuts, and in candy. The other pound is divided almost equally between cleaned roasting stock peanuts and those consumed as food on farms.

During the past 10 years, about half of the total edible peanuts have gone into the manufacture of peanut butter, almost one-fourth have been used for salting, and about one-sixth have been used in candy. Virginia-type used in cleaned unshelled form (ball park type) have accounted for less than 10 percent of the total (table 21). Most of the Runner and Spanish types of peanuts are used for peanut butter and most of the shelled Virginia types for salting. Spanish peanuts are the most widely used type for candy manufacture. However, some of each type is utilized in all 3 outlets.

The greatest increase in the utilization of peanuts has been in the manufacture of peanut butter. Utilization has increased from 460 million pounds (farmers' stock basis) in 1955 to an estimated 675 million in 1964. On a per capita basis, the rise was from 2.8 pounds to 3.5 pounds. Considerable research is being directed toward improving the quality of peanuts and peanut butter, and there are indications that consumption will continue to increase.

Data on the production and consumption of peanut butter are not available. The conversion factor for estimating peanut butter from farmers' stock peanuts is .62 and from shelled edible peanuts is .95 (including additives). The chief use of peanut butter is in the home but large quantities are used in the commercial manufacture of sandwiches, candy, and bakery products.

Table 21.--Peanuts (farmers' stock basis): Edible use in primary products, total and per capita, 1945-64

Year beginning August 1	Peanut butter	Salted peanuts	Peanut candy	Peanut butter sandwiches	Cleaned roasting stock	Farm household use and local sales	Other	Total domestic food use
	Total							
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1945	499	246	192	---	86	84	175	1,282
1946	388	227	213	---	70	91	92	1,081
1947	356	166	174	---	68	82	89	935
1948	358	173	149	---	71	72	138	961
1949	355	165	175	---	67	63	38	863
1950	392	189	171	---	69	64	96	981
1951	396	202	173	---	81	53	110	1,015
1952	420	215	174	---	82	47	70	1,008
1953	432	216	173	---	79	46	71	1,017
1954	447	213	165	---	70	39	85	1,019
1955	460	206	168	---	66	49	6	955
1956	451	226	187	22	54	43	46	1,029
1957	506	242	194	23	74	40	5	1,084
1958	511	254	191	23	82	46	---	1,096
1959	508	264	196	25	84	44	33	1,154
1960	590	266	203	25	84	46	30	1,244
1961	610	264	208	25	86	44	28	1,265
1962	602	277	207	27	88	42	50	1,293
1963	654	282	212	30	88	57	26	1,349
1964 1/	675	285	225	29	88	55	28	1,385
	Percent of total							
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1945	39	19	15	---	7	6	14	100
1946	36	21	20	---	6	8	9	100
1947	38	18	19	---	7	9	9	100
1948	37	18	16	---	7	7	15	100
1949	41	19	20	---	8	7	5	100
1950	40	19	17	---	7	7	10	100
1951	39	20	17	---	8	5	11	100
1952	42	21	17	---	8	5	7	100
1953	42	21	17	---	8	5	7	100
1954	44	21	16	---	7	4	8	100
1955	48	22	18	---	7	4	1	100
1956	44	22	18	2	5	4	5	100
1957	47	22	18	2	7	3	1	100
1958	47	23	17	2	7	4	---	100
1959	44	23	17	2	7	4	3	100
1960	47	21	16	2	7	4	3	100
1961	48	21	16	2	7	4	2	100
1962	47	21	16	2	7	3	4	100
1963	48	21	16	2	7	4	2	100
1964 1/	49	21	16	2	6	4	2	100
	Per capita							
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1945	3.7	1.8	1.4	---	.6	.6	1.3	9.5
1946	2.8	1.6	1.5	---	.5	.6	.7	7.7
1947	2.5	1.2	1.2	---	.5	.6	.6	6.5
1948	2.4	1.2	1.0	---	.5	.5	.9	6.6
1949	2.4	1.1	1.2	---	.4	.4	.3	5.8
1950	2.6	1.3	1.1	---	.5	.4	.6	6.5
1951	2.6	1.3	1.1	---	.5	.4	.7	6.7
1952	2.7	1.4	1.1	---	.5	.3	.5	6.5
1953	2.7	1.4	1.1	---	.5	.3	.4	6.4
1954	2.8	1.3	1.0	---	.5	.2	.5	6.3
1955	2.8	1.3	1.0	---	.4	.3	2/	5.8
1956	2.7	1.4	1.1	.1	.3	.3	.3	6.2
1957	3.0	1.4	1.1	.1	.4	.2	.1	6.4
1958	2.9	1.5	1.1	.1	.5	.3	---	6.3
1959	2.9	1.5	1.1	.1	.5	.3	.2	6.6
1960	3.3	1.5	1.1	.1	.5	.3	.1	6.9
1961	3.3	1.4	1.1	.1	.5	.2	.3	6.9
1962	3.2	1.5	1.1	.1	.5	.2	.5	7.0
1963	3.5	1.5	1.1	.2	.5	.3	.1	7.2
1964 1/	3.5	1.5	1.2	.2	.5	.3	.1	7.3

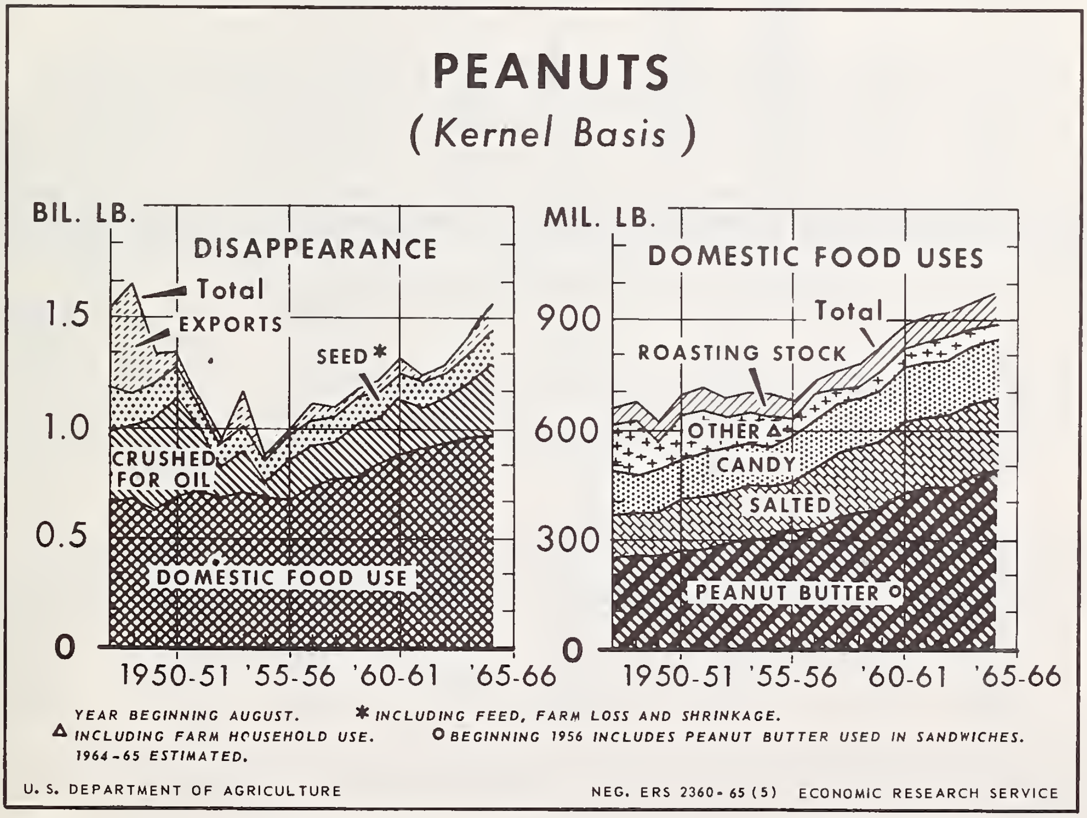
1/ Preliminary.

2/ Less than .05 pounds.

Salting is the second largest outlet for shelled peanuts. Use of peanuts in salting increased from 206 million pounds (farmers' stock basis) in 1955 to 285 million estimated for 1964. Usage per person has risen from 1.3 pounds to 1.5 pounds (table 21). Salted nuts are packed in retail sizes of transparent film bags and hermetically sealed cans. Salters pack a small quantity of salted peanuts in bulk for repackaging or for selling through vending machines. In recent years, the industry has introduced dry-roast salted peanuts which apparently appeals to calorie-conscious consumers. Because these peanuts do not have the added oil which is picked up by the kernel during oil roasting, distributors have been promoting sales on grounds that their calorie content is lower.

Candy manufacturers have increased the use of peanuts from 168 million pounds (farmers' stock basis) in 1955 to 225 million estimated for 1964. The per capita rate increased from 1.0 pounds to 1.2 pounds. The largest use of shelled peanuts in candy is in the manufacture of nut rolls. Other confections in which peanuts are used include chocolate bars, chocolate-covered peanuts, peanut bars, and peanut brittle.

Use of cleaned, roasting-stock peanuts has remained relatively stable in recent years at about 75-88 million pounds annually and 0.5 pounds per person. Most roasted in-shell peanuts (ball park peanuts) are Virginia or Valencia types. For the most part they are marketed in small packages at sporting events, circuses, zoos, and country fairs.



YEAR BEGINNING AUGUST. * INCLUDING FEED, FARM LOSS AND SHRINKAGE.
△ INCLUDING FARM HOUSEHOLD USE. ○ BEGINNING 1956 INCLUDES PEANUT BUTTER USED IN SANDWICHES.
1964-65 ESTIMATED.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 2360-65 (5) ECONOMIC RESEARCH SERVICE

FIGURE 2

Table 22.--Peanut oil: Supply and disposition and oil equivalent of exports of peanuts for crushing, 1947-64

Year beginning August	Supply				Disposition		Peanuts (oil equivalent of exports for crushing)	Price per pound (crude, S.E. Mills)
	Production	Imports	Stocks Aug. 1	Total	Exports	Domestic disappearance		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
1947	139	1/	40	179	1	155	118	26.6
1948	141	1/	24	165	41	115	199	17.2
1949	184	---	7	191	61	107	48	14.3
1950	185	---	23	208	39	131	20	21.8
1951	130	---	38	168	42	108	1	19.0
1952	55	---	17	72	2	66	---	21.1
1953	83	2	5	90	9	62	68	18.2
1954	26	27	19	72	1	54	2	18.3
1955	75	11	16	102	2	68	---	16.8
1956	76	---	32	108	24	73	24	15.3
1957	67	3	12	82	4	68	5	16.3
1958	97	7	10	115	9	86	4	13.9
1959	86	---	21	107	12	81	11	14.2
1960	104	1/	14	118	2/12	3/84	12	14.7
1961	70	5	24	99	2/8	3/84	1	17.4
1962	86	1	18	105	3	3/70	1	13.5
1963	111	0	34	145	53	3/80	8	11.3
1964 4/	140	0	20	160	75	3/70	16	14.8

1/ Less than 500,000 pounds. 2/ Includes estimates of foreign donations, not reported by Census. 3/ Factory consumption figures used for years in which reported factory consumption exceeds domestic disappearance. 4/ Preliminary and partly estimated.

Table 23.--Peanut oil: Utilization, year beginning August, 1947-64

Year beginning August	Food uses					Non-food uses				Total domestic disappearance
	Shortening	Margarine	Cooking and salad oils	Other	Total	Soap	Foots and loss	Other	Total	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	61	15	NA	64	140	1/	10	4	15	155
1948	31	4	NA	64	99	1/	8	8	16	115
1949	9	1/	*(50)	83	92	---	7	8	15	107
1950	18	1/	*(54)	99	117	---	7	7	14	131
1951	21	1/	*(46)	75	96	---	5	6	12	108
1952	5	2	*(30)	51	58	---	4	4	8	66
1953	4	2	*(15)	49	55	1/	4	4	8	62
1954	6	2	*(18)	40	48	1/	4	2	6	54
1955	6	2	*(15)	52	60	1/	3	5	8	68
1956	6	4	*(23)	56	66	---	4	3	7	73
1957	6	3	*(25)	51	60	---	5	2	7	68
1958	3	4	*(22)	73	80	---	4	2	6	86
1959	4	5	35	31	75	---	5	1	6	81
1960	3	3	58	12	76	---	5	4	9	2/84
1961	2	3	60	12	76	---	4	4	8	2/84
1962	2	5	48	8	64	---	4	3	6	2/70
1963	6	7	55	7	75	---	3	3	6	2/80
1964 3/	4	8	45	7	64	---	3	3	6	2/70

1/ Less than 500,000 pounds. 2/ Factory consumption figures used for years in which reported factory consumption exceeds domestic disappearance. 3/ Preliminary and partly estimated. *Bracketed figures represent peanut oil deodorized which is included in the "other" category.

Table 24.--Peanut cake and meal: Supply, disposition and price, 1947-64

Year beginning August	Supply				Disposition			Price per ton
	Production	Imports	Stocks, Aug. 1 1/	Total supply	Exports	Feed and other uses	Total disposition	45 percent protein, S.E. Mills
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Dollars
1947	121.6	3.0	2.7	127.3	3.7	118.8	122.5	81.80
1948	112.5	1.0	4.8	118.3	19.0	98.1	117.1	60.05
1949	139.1	3.1	1.2	143.4	46.8	94.0	140.8	64.65
1950	147.6	4.3	2.6	154.5	27.7	121.8	149.6	63.65
1951	100.2	2.9	4.9	108.0	2.7	103.9	106.6	80.10
1952	43.5	5.8	1.4	50.7	2/	48.7	48.7	76.25
1953	63.6	.2	2.0	65.8	1.4	61.2	62.6	73.25
1954	23.3	.5	3.3	27.1	1.3	24.2	25.5	73.25
1955	54.4	---	1.6	56.0	11.4	38.8	50.2	54.20
1956	56.8	---	5.8	62.6	20.4	39.0	59.4	48.30
1957	51.2	---	3.2	54.4	3.3	49.3	52.6	53.85
1958	71.2	---	1.7	72.9	3/	70.7	70.7	57.40
1959	63.3	---	2.2	65.5	---	60.7	60.7	56.30
1960	76.4	---	4.8	81.2	---	77.9	77.9	55.35
1961	55.7	---	3.3	59.0	---	54.3	54.3	62.00
1962	65.5	---	4.7	70.2	---	67.5	67.5	55.75
1963	77.4	---	2.7	80.1	---	74.4	74.4	58.70
1964 4/	95	---	5.7	101	---	*95	*95	63.00

1/ Stocks at processors' mills. 2/ Less than 50 tons. 3/ Data no longer reported separately. 4/ Preliminary and partly estimated.

* Includes exports.

The USDA has recently developed a process to make low-calorie peanuts. The process removes 80 percent of the oil--and three-fourths of the calories--leaving intact the original flavor and high protein content. Shelled nuts are brought to a proper moisture content and pressed in a hydraulic press to remove most of the oil, which constitutes about 50 percent of the peanut's weight. The pressed kernels are flat, but they return to their original shape and size when soaked in water. Salt, sugar, spices, or other flavorings can be added during this reconstitution period. After the low-calorie nuts are dried, they are ready for eating as is, for roasting, or for use in candies and other foods.

Domestic Use of Peanut Oil Steady; Exports Increase

Peanut supplies for crushing come from low-quality peanuts obtained in the shelling operation (shelled oil stock) and surplus peanuts largely diverted into crushing channels by CCC. Most oil mills are equipped for both shelling and crushing operations.

Peanuts crushed annually have varied from 239 million to 475 million pounds (farmers' stock basis) in the past 10 years (table 18). Peanuts crushed from CCC inventories accounted for about 60 percent of the U. S. total during the 1955-63 period. Crushings of 100 pounds of farmers' stock peanuts yield about 29 pounds of crude peanut oil and about 43 pounds of cake and meal. On a shelled basis, the oil yield is about 40 percent and the meal yield around 60 percent.

As may be seen in table 22, peanut oil supplies in the past 10 years have fluctuated considerably between 82 and 160 million pounds annually. During this period, domestic disappearance has held relatively steady at around 80 million pounds. Thus, the equivalent of about 275 million pounds of farmers' stock peanuts or 200 million pounds of shelled peanuts must be crushed annually to meet domestic oil requirements. Peanut oil exports have increased sharply in recent years--from 3 million in 1962 to an estimated 75 million pounds in 1964. Peanut oil exports go mainly to Western Europe whereas exports of shelled peanuts are chiefly to Canada.

Peanut oil is utilized primarily as a cooking and salad oil with this outlet accounting for approximately two-thirds of total U. S. consumption. Small quantities also are used in shortening, margarine, and other food and nonfood products (table 23).

Peanut cake and meal, a joint product with oil of the peanut-crushing industry, is used for stock feed. In recent years, around 70,000 tons of peanut meal has been produced and fed annually in the United States (table 24).

* * * * * * * *

Table 25.--Food fats and oils: Supply and disposition, 1959-64

Total 1/

Year beginning October	Production			Stocks		Domestic disappearance			Exports		
	Oct.-Mar.	Apr.-Sept.	Oct.-Sept.	Oct. 1	Apr. 1	Oct.-Mar.	Apr.-Sept.	Oct.-Sept.	Oct.-Mar.	Apr.-Sept.	Oct.-Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1959	6,874	5,607	12,481	734	1,402	4,286	4,171	8,457	1,898	1,981	3,879
1960	6,939	5,417	12,356	831	1,396	4,501	4,212	8,713	1,846	1,322	3,167
1961	7,340	5,949	13,289	1,253	1,935	4,615	4,302	8,917	2,015	2,067	4,082
1962	7,632	6,221	13,853	1,488	2,220	4,722	4,170	8,892	2,159	2,191	4,350
1963	7,488	6,304	13,793	2,065	2,228	4,821	4,598	9,418	2,480	2,536	5,016
1964	7,893			1,361	1,521	4,841			2,871		
	Butter (actual weight), except farm 2/										
1959	659	710	1,369	93	65	673	634	1,307	16	5	21
1960	663	772	1,434	136	98	698	627	1,325	4	4	8
1961	770	782	1,552	238	303	702	654	1,356	6	13	19
1962	722	734	1,456	419	392	713	583	1,296	37	93	131
1963	687	732	1,419	450	191	751	613	1,364	197	121	319
1964	702			188	102	667			123		
	Lard, except farm										
1959	1,407	1,149	2,556	93	145	972	869	1,840	384	333	716
1960	1,206	1,139	2,345	92	141	870	955	1,825	287	225	513
1961	1,246	1,104	2,350	100	104	988	881	1,868	253	255	508
1962	1,265	1,124	2,389	73	167	952	857	1,810	219	352	571
1963	1,277	1,107	2,384	81	114	937	754	1,691	308	398	706
1964	1,203			68	143	874			254		
	Beef fats 3/										
1959	170	176	347	22	27	154	165	319	11	12	23
1960	197	222	419	27	26	192	219	411	6	4	10
1961	227	217	444	25	24	223	215	438	5	6	10
1962	227	253	480	21	47	197	261	457	4	5	9
1963	256	266	521	34	37	249	272	522	4	6	10
1964	258			25	42	236			6		
	Total edible vegetable oils 4/ 5/										
1959	4,637	3,572	8,209	527	1,165	2,528	2,550	5,078	1,447	1,585	3,031
1960	4,873	3,285	8,158	576	1,131	2,781	2,453	5,234	1,509	1,045	2,554
1961	5,097	3,845	8,943	890	1,504	2,741	2,592	5,332	1,713	1,755	3,468
1962	5,419	4,110	9,529	975	1,614	2,907	2,515	5,422	1,851	1,695	3,546
1963	5,269	4,199	9,468	1,500	1,887	2,933	3,020	5,953	1,921	1,948	3,870
1964	5,730			1,080	1,239	3,114			2,435		

Continued -

Table 25.--Food fats and oils: Supply and disposition, 1959-64

Year beginning October	Production			Stocks		Domestic disappearance			Exports		
	Oct.-Mar.	Apr.-Sept.	Oct.-Sept.	Oct. 1	Apr. 1	Oct.-Mar.	Apr.-Sept.	Oct.-Sept.	Oct.-Mar.	Apr.-Sept.	Oct.-Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
	Cottonseed oil 5/										
1959	1,318	514	1,832	190	524	643	656	1,299	341	165	506
1960	1,280	506	1,786	217	448	855	607	1,461	195	176	371
1961	1,325	627	1,952	170	478	746	607	1,352	273	201	474
1962	1,346	584	1,930	296	699	728	618	1,347	215	177	392
1963	1,334	605	1,939	488	802	743	665	1,407	277	309	587
1964	1,352			433	569	836			380		
	Soybean oil 5/										
1959	3,081	2,810	5,891	298	600	1,681	1,695	3,376	1,097	1,408	2,505
1960	3,331	2,520	5,850	308	625	1,714	1,616	3,329	1,300	852	2,152
1961	3,515	2,959	6,475	677	966	1,787	1,754	3,540	1,440	1,553	2,993
1962	3,816	3,258	7,074	618	842	1,956	1,668	3,624	1,636	1,512	3,148
1963	3,635	3,290	6,924	920	991	1,942	2,117	4,060	1,621	1,586	3,207
1964	4,060			578	614	2,019			2,005		
	Corn oil										
1959	170	174	344	24	32	162	167	329	---	---	---
1960	170	182	352	39	36	172	185	358	---	---	---
1961	186	201	386	33	50	169	201	370	---	---	---
1962	191	204	395	50	49	192	189	381	---	---	---
1963	207	208	415	63	60	210	206	416	---	---	---
1964	209			62	42	229			---		
	Peanut oil 5/										
1959	44	47	92	15	8	42	32	74	9	12	20
1960	65	49	114	12	22	40	45	86	14	17	31
1961	41	31	73	9	10	39	30	70	6/	6/	1
1962	45	49	94	11	25	31	39	69	6/	5	6
1963	64	59	123	30	33	37	32	69	23	53	76
1964	87			8	15	29			50		

1/ Includes butter, except farm; lard, except farm; beef fats; and edible vegetable oils. Production and exports include the oil equivalent of exported oilseeds. Domestic disappearance and exports have been adjusted for exports of processed food oils not classified by kind, shortening, margarine, and other secondary fats. Exports also include shipments and quantities from CCC stocks that were not reported in Census data. Beginning 1960 exports indlude estimates of foreign donations of fats and oils not reported by Census. 2/ Beginning 1962, stocks include estimates of butter oil, ghee, and canned butter. 3/ Includes edible tallow, oleo stock, oleo oil and oleostearine. 4/ Includes cottonseed, soybean, corn, peanut, and edible olive oils. Production includes imports of corn, peanut, and edible olive oils. 5/ Production and exports include oil equivalent of oilseed exported for crushing. 6/ Less than 500,000 pounds.

Totals computed from unrounded numbers.

Table 26.--Domestic disappearance of food and nonfood fats and oils, by end products, total and per person, year beginning October by quarters, with comparisons

Year and Quarter	Unit	Food							Nonfood				All products (fat content)
		Butter (actual weight)	Margarine (actual weight)	Lard (direct)	Baking and frying fats (shortening)	Salad and cooking oils 1/	Other edible 2/	Total (fat content)	Soap 3/	Drying oils 4/	Other 5/	Total	
1962-63													
Oct.-Dec:													
Total	Mil.lb.	375	476	376	704	526	10	2,306	141	192	813	1,147	3,453
Per person	Lb.	2.0	2.5	2.0	3.7	2.8	---	12.3	.8	1.0	4.3	6.1	18.4
Jan.-Mar:													
Total	Mil.lb.	355	454	312	606	601	20	2,202	208	208	794	1,210	3,412
Per person	Lb.	1.9	2.4	1.7	3.2	3.2	.1	11.7	1.1	1.1	4.2	6.4	18.1
Apr.-June													
Total	Mil.lb.	346	424	294	616	443	25	2,017	220	242	775	1,237	3,254
Per person	Lb.	1.8	2.2	1.6	3.3	2.3	.1	10.7	1.2	1.3	4.1	6.5	17.2
July-Sept:													
Total	Mil.lb.	255	428	246	639	659	---	2,065	213	219	734	1,166	3,231
Per person	Lb.	1.3	2.3	1.3	3.4	3.5	---	10.9	1.1	1.2	3.9	6.1	17.0
Season:													
Total	Mil.lb.	1,331	1,782	1,229	2,565	2,229	20	8,589	783	862	3,116	4,760	13,349
Per person	Lb.	7.1	9.4	6.5	13.6	11.8	.1	45.5	4.1	4.6	16.5	25.2	70.7
1963-64													
Oct.-Dec:													
Total	Mil.lb.	388	481	349	679	606	116	2,447	141	191	810	1,143	3,590
Per person	Lb.	2.0	2.5	1.8	3.6	3.2	.6	12.2	.7	1.0	4.3	6.0	18.8
Jan.-Mar:													
Total	Mil.lb.	376	482	357	631	603	67	2,350	189	226	799	1,213	3,563
Per person	Lb.	2.0	2.5	1.9	3.3	3.2	.3	12.3	1.0	1.2	4.2	6.3	18.7
Apr.-June:													
Total	Mil.lb.	331	426	264	640	618	60	2,190	217	253	807	1,277	3,466
Per person	Lb.	1.7	2.2	1.4	3.3	3.2	.3	11.4	1.1	1.3	4.2	6.7	18.1
July-Sept:													
Total	Mil.lb.	297	446	287	690	786	---	2,270	218	211	748	1,177	3,447
Per person	Lb.	1.5	2.3	1.5	3.6	4.1	---	11.8	1.1	1.1	3.9	6.1	17.9
Season:													
Total	Mil.lb.	1,392	1,835	1,257	2,640	2,613	152	9,257	765	881	3,164	4,810	14,067
Per person	Lb.	7.3	9.6	6.6	13.8	13.7	.8	48.4	4.0	4.6	16.5	25.1	73.5
1964-65 6/													
Oct.-Dec:													
Total	Mil.lb.	351	483	306	665	694	---	2,270	149	165	898	1,212	3,482
Per person	Lb.	1.8	2.5	1.6	3.4	3.6	---	11.7	.8	.9	4.7	6.3	18.0
Jan.-Mar:													
Total	Mil.lb.	331	494	332	608	649	97	2,351	218	217	783	1,218	3,569
Per person	Lb.	1.7	2.6	1.7	3.1	3.4	.5	12.1	1.1	1.1	4.0	6.3	18.4
Apr.-June:													
Total	Mil.lb.												
Per person	Lb.												
July-Sept:													
Total	Mil.lb.												
Per person	Lb.												
Season:													
Total	Mil.lb.												
Per person	Lb.												

1/ Not reported separately prior to 1959; included in "other edible" category.

2/ Mainly salads and cooking oils prior to January 1959. Includes all oils and fats (other than butter, lard, margarine and shortening) used in mayonnaise and salad dressing, bakery goods, and confectionery, commercial roasting and frying etc.

3/ Fat equivalent of soap used in synthetic rubber is included in "other industrial products". Adjusted for foreign trade and changes in stocks.

4/ Paints, varnishes, floor coverings, oilcloth, printing inks, core oils, synthetic resins, insulation, linings, packings, coated fabrics, caulking and other protective coatings.

5/ Includes use of fats and oils in chemicals, lubricants and greases, animal feeds; tin and terne plate, pharmaceuticals, leather, candles, synthetic organic detergents, toilet articles, and miscellaneous industrial products.

6/ Preliminary.

Computed from unrounded numbers.

Table 27.--Fats, oils, including their products: Production from domestic and imported materials, and factory and warehouse stocks at end of month

Item	Production 1/						Stocks			
	October-March		1964	1965			1964	1965		
	1963-64	1964-65	Mar.	Jan.	Feb.	Mar.	Mar. 31	Jan. 31	Feb. 28	Mar. 31
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
PRIMARY FATS AND OILS										
Food fats and oils										
Butter 2/	687.0	702.2	139.4	129.7	123.5	138.6	191.1	63.1	71.0	98.9
Lard and rendered pork fat 3/	1,277.0	1,203.0	210.0	194.0	167.0	196.0	113.6	150.9	131.1	143.1
Beef fats	255.8	257.7	42.1	42.2	44.6	41.5	37.4	46.4	45.3	41.7
Total edible animal fats	2,219.8	2,162.9	391.5	365.9	335.1	376.1	342.1	260.4	247.4	283.7
Corn oil	204.7	208.8	37.2	35.1	34.2	38.0	60.3	39.4	39.3	41.7
Cottonseed oil	1,332.6	1,350.6	185.8	227.3	205.9	213.1	801.6	518.7	546.9	568.7
Peanut oil	64.2	82.2	14.6	13.8	16.1	20.1	33.3	12.9	14.7	15.2
Soybean oil	2,427.4	2,735.2	368.9	463.3	408.5	448.2	991.4	586.6	606.0	613.8
Total edible vegetable oils	4,028.9	4,376.8	606.5	739.5	664.7	719.4	1,886.6	1,157.6	1,206.9	1,239.4
Soap fats and oils										
Tallow, inedible, and greases excluding wool grease 4/	2,140.5	2,218.4	367.6	341.9	344.6	363.4	395.9	428.5	423.5	435.9
Palm oil 5/	---	---	---	---	---	---	31.5	17.7	16.2	15.7
Fish and marine oil 5/	33.0	19.4	.6	.5	.5	.5	99.4	145.7	126.9	117.0
Coconut oil 5/	183.7	210.6	*	36.7	32.4	33.9	185.5	143.2	148.0	166.2
Total soap fats	2,357.2	2,448.4	368.2	379.1	377.5	397.8	712.3	735.1	714.6	734.8
Drying oils										
Castor oil 5/	---	---	---	---	---	---	215.0	204.4	210.3	205.3
Linseed oil	210.5	221.7	33.5	34.7	31.9	39.5	132.9	199.3	204.2	214.8
Safflower seed oil	29.0	19.7	---	---	10.2	9.5	59.3	14.9	13.0	17.0
Tall oil	541.9	572.7	103.4	95.4	96.5	105.0	221.7	259.4	269.5	279.5
Tung oil	18.9	32.8	3.2	7.7	5.3	7.3	19.2	41.4	46.9	52.5
Total drying oils	800.3	846.9	140.1	137.8	143.9	161.3	648.1	719.4	743.9	769.1
Grand total 6/ 7/	9,406.2	9,835.0	1,506.3	1,622.3	1,521.2	1,654.7	3,589.1	2,872.5	2,912.8	3,027.0
From domestic materials	9,222.5	9,624.4	1,506.3	1,585.6	1,488.8	1,620.8				
From imported materials	183.7	210.6	*	36.7	32.4	33.9				
FAT-AND-OIL PRODUCTS										
Cooking and salad oils	1,134.6	1,430.7	211.4	212.4	220.5	236.1	119.5	162.3	166.9	138.5
Baking and frying fats (shortening)	1,327.7	1,311.5	213.0	193.6	204.6	213.0	113.9	121.4	111.0	113.6
Margarine	979.3	993.7	159.8	163.2	167.2	170.5	52.0	50.3	44.6	53.1
Fatty acids	449.9	499.3	78.8	78.8	82.0	90.7	112.2	86.1	97.0	91.1

1/ Factory production except as otherwise noted.

2/ Creamery butter and cold-storage stocks, United States Department of Agriculture.

3/ Total commercial. Excludes farm production. Federally inspected in October-March 1963-64 totaled 1,148.2 million pounds; October-March 1964-65 totaled 1,086.3 million pounds.

4/ Total apparent production.

5/ Stocks include GSA stockpile.

6/ Computed from unrounded numbers.

7/ Excludes estimated output of farm butter and farm lard, 99 million pounds in October-March 1963-64; 91 million pounds in October-March 1964-65.

*Not available by Census.

Table 28.--Imports and exports of fats, oils, oil-bearing materials and fat-and-oil products in terms of oil

Item	Imports for consumption					Exports 1/				
	October-March		1965			October-March		1965		
	1963-64	1964-65	Jan.	Feb.	Mar.	1963-64	1964-65	Jan.	Feb.	Mar.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Food fats and oils										
Butter	1.9	.3	2/	2/	2/	71.2	103.8	12.3	11.2	15.0
Lard	---	---	---	---	---	282.2	233.3	22.9	29.9	18.4
Beef fats	1.2	1.0	---	1.0	---	4.0	5.7	.2	.4	3.3
Total, edible animal fats	3.1	1.3	2/	1.0	2/	357.4	342.8	35.4	41.5	36.7
Corn oil	2.7	---	---	---	---	---	---	---	---	---
Cottonseed oil	---	---	---	---	---	275.3	304.3	65.4	43.0	50.2
Cottonseed (17 percent)	---	---	---	---	---	1.5	1.5	.2	.5	.4
Olive oil, edible	28.2	22.1	1.4	4.9	3.9	---	---	---	---	---
Peanut oil	---	2/	---	---	---	23.2	45.1	2.6	8.2	14.8
Peanuts, shelled (43.5 percent)	---	---	---	---	---	.3	9.3	.1	---	4.6
Soybean oil	---	---	---	---	---	413.3	673.6	68.6	72.7	146.6
Soybeans (18.3 percent)	2/	2/	---	---	2/	1,207.2	1,324.5	31.6	124.6	274.5
Other vegetable oils	7.2	6.5	.5	.6	2.4	3.8	7.2	.6	.6	.8
Total, edible vegetable oils	38.1	28.6	1.9	5.5	6.3	1,924.6	2,365.5	169.1	249.6	491.9
Soap fats and oils										
Tallow, inedible	.8	.9	.1	2/	.3	897.1	899.2	92.2	173.4	163.1
Greases	.9	.1	---	.1	---	132.7	82.5	2.8	6.1	7.7
Fish and fish liver oils non-medicinal	2.4	.3	2/	---	.1	99.2	3/44.7	1.3	.1	11.5
Marine mammal oils	19.3	34.1	9.9	4.5	1.8	3.1	---	---	---	---
Olive oil, inedible	.6	.2	.1	.1	2/	---	---	---	---	---
Palm oil	5.3	3.5	1.4	---	.8	---	---	---	---	---
Total, slow-lathering oils	29.3	39.1	11.5	4.7	3.0	1,132.1	1,026.4	96.3	179.6	182.3
Coconut oil	195.9	234.7	71.8	64.3	49.6	4.7	5.1	3.6	.1	.2
Copra (64 percent)	182.0	225.3	39.4	14.8	57.1	2/	---	---	---	---
Palm kernel oil	38.7	34.6	3.0	4.6	6.6	---	---	---	---	---
Total, lauric-acid oils	416.6	494.6	114.2	83.7	113.3	4.7	5.1	3.6	.1	.2
Drying oils										
Flaxseed (35.7 percent)	2/	2/	---	---	---	27.2	46.3	2/	2/	2/
Linseed oil	2/	2/	2/	---	---	11.0	12.0	.1	.1	1.0
Oiticica oil	3.6	1.6	.2	.3	.1	---	---	---	---	---
Tall oil	---	---	---	---	---	13.2	23.9	2.8	3.2	7.2
Tung oil	11.6	14.7	1.8	2.7	1.9	1.3	.4	2/	2/	.1
Safflower seed (32%)	---	---	---	---	---	---	7.4	1.3	4.7	1.4
Total	15.2	16.3	2.0	3.0	2.0	52.7	90.0	4.2	8.0	9.7
Other industrial oils and fats										
Cashew nut shell liquid (oil)	N.A.	N.A.	N.A.	N.A.	N.A.	---	---	---	---	---
Castor oil	51.0	70.8	6.4	11.0	11.5	.4	.4	---	---	---
Castor beans (46.5 percent)	.3	2/	---	---	---	---	---	---	---	---
Fish-liver oils, medicinal	10.0	7.0	.9	1.3	.9	.3	---	---	---	---
Rapeseed oil	2.1	3.2	---	---	1.1	---	---	---	---	---
Wool grease	3.1	4.0	.1	.7	1.2	---	---	---	---	---
Other vegetable oils and fats, inedible	6.4	6.5	.8	.9	1.5	8.1	27.3	5.2	1.9	7.0
Total	72.9	91.5	8.2	13.9	16.2	8.8	27.7	5.2	1.9	7.0
Other oilseeds, n.e.c. (20%) 4/	---	---	---	---	---	70.9	52.0	---	---	---
Other products										
Margarine (fat content)	---	---	---	---	---	1.3	1.4	.2	.2	.2
Shortening	---	---	---	---	---	5.4	7.4	2/	2/	.4
Cooking and salad oils	---	---	---	---	---	15.6	8.6	---	---	---
Salad products (fat content)	---	---	---	---	---	2.0	1.8	.2	.3	.5
Soap (fat content)	.9	1.0	2/	.1	.2	4.9	6.5	.4	.4	1.5
Fatty acids	4.2	4.2	.4	.4	1.2	24.0	26.5	3.5	2.0	4.5
Total	5.1	5.2	.4	.5	1.4	53.2	52.2	4.3	2.9	7.1
Grand total 5/	580.3	676.7	138.4	112.2	142.3	3,604.4	3,961.7	318.0	483.7	734.8

1/ Includes re-exports but not shipments. Shipments average about 90 million pounds per year of which approximately 60 million are lard. 2/ **Less than 50,000 pounds.** 3/ **Beginning January 1965, includes marine mammal oil.** 4/ Prior to January 1965, 30% mainly safflower. 5/ Computed from unrounded numbers.

Table 29.--Index numbers of wholesale prices of fats and oils

Item	1957-59=100				
	April		1965		
	1963	1964	February	March	April
All fats and oils	88	90	108	109	111
All fats and oils, except butter	80	84	112	113	116
Grouped by origin:					
Animal fats	88	94	107	108	111
Vegetable oils, domestic	85	76	109	110	110
Vegetable oils, foreign	94	94	109	111	117
Grouped by use:					
Butter	98	98	99	98	100
Butter, seasonally adjusted	102	102	97	96	104
Lard	71	87	106	110	117
Food fats other than butter	79	80	108	110	113
Food fats other than butter and lard	82	76	109	110	111
All edible fats and oils	90	90	104	105	108
Soap fats	75	87	119	119	122
Drying oils	102	92	103	103	104
Other industrial	77	83	106	108	112
All industrial	82	90	118	119	121
Edible vegetable oils, grouped by degree of processing:					
Crude	83	75	109	110	110
Refined	84	77	100	103	104
End products	87	88	102	102	102
Margarine	93	93	101	102	102

All indexes except "Butter, seasonally adjusted" and "Other industrial" from Bureau of Labor Statistics.

Table 30.--Prices received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	April		1965		
		1963	1964	February	March	April
		Dollars	Dollars	Dollars	Dollars	Dollars
Copra, Philippines, c.i.f. Pacific Coast	Short ton	168.75	180.00	204.88	214.12	225.50
Cottonseed, United States average	Short ton	---	---	48.20	47.70	---
Flaxseed, No. 1, Minneapolis	Bushel	3.07	3.09	3.20	3.19	3.15
Flaxseed, United States average	Bushel	2.79	2.81	2.92	2.89	2.87
Peanuts, No. 1, shelled, Spanish, Southeastern shipping points 1/	100 lb.	18.62	21.50	20.38	21.25	21.50
Peanuts, United States average	100 lb.	11.10	11.20	12.00	11.60	11.40
Soybeans, No. 1, Yellow, Chicago	Bushel	2.61	2.62	3.03	3.01	3.04
Soybeans, No. 1, Yellow, Illinois country shipping points	Bushel	2.55	2.53	2.95	2.94	2.97
Soybeans, United States average	Bushel	2.45	2.45	2.81	2.85	2.85
				Oilseed Meals (Bulk)		
Copra meal, 20 percent protein, Los Angeles	Short ton	82.00	78.00	76.50	77.00	78.90
Cottonseed meal, 41 percent protein, Memphis	Short ton	61.50	57.90	59.00	56.90	56.00
Cottonseed meal, 41 percent protein, Chicago	Short ton	70.80	66.60	67.50	65.30	65.00
Cottonseed meal, 41 percent protein, Atlanta	Short ton	70.20	63.10	64.90	63.00	61.90
Linseed meal, 34 percent protein, Minneapolis	Short ton	57.00	54.80	58.10	57.60	60.80
Linseed meal, 34 percent protein, New York	Short ton	79.00	73.10	76.40	74.10	74.80
Peanut meal, 45 percent protein, f.o.b. Southeastern mills	Short ton	59.20	60.20	66.70	64.00	61.80
Safflower meal, 20 percent solvent, San Francisco	Short ton	38.00	32.20	31.00	30.80	30.50
Soybean meal, 44 percent protein, Chicago	Short ton	72.00	74.00	74.20	72.70	73.60
Soybean meal, 44 percent protein, Decatur	Short ton	68.30	69.90	69.80	68.50	69.30
Soybean meal, 44 percent protein, Atlanta	Short ton	76.30	78.70	77.60	77.00	77.50
Soybean meal, 44 percent protein, Memphis	Short ton	69.00	71.90	71.80	71.30	72.20

1/ This price applies to peanuts for edible uses.

Compiled from Oil, Paint, and Drug Reporter, Daily Market Record (Minneapolis), Wall Street Journal, Chicago edition, reports of the Statistical Reporting Service and the Agricultural Marketing Service.

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